

TOWN OF NORTH ANDOVER MASSACHUSETTS



ANNUAL TOWN MEETING BUDGET FISCAL YEAR 2017





TOWN OF NORTH ANDOVER, MASSACHUSETTS

FISCAL YEAR 2017

FINANCIAL PLAN AND OPERATING BUDGET

General, Capital Projects and Enterprise Funds

July 1, 2016 – June 30, 2017

BOARD OF SELECTMEN

Tracy M. Watson, Chairman

Phil DeCologero, Clerk

Rosemary Connelly Smedile

Donald B. Stewart

Richard M. Vaillancourt, Licensing Chairman

TOWN MANAGER

Andrew W. Maylor



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Town of North Andover

Massachusetts

For the Fiscal Year Beginning

July 1, 2015

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented its award for Distinguished Budget Presentation to the Town of North Andover for the annual budget for the year beginning July 1, 2015. In order to receive this award, a government unit must publish a budget document that meets award criteria as a policy document, as an operational guide, as a financial plan and as a communication medium. This award is valid for one year only. We believe our current budget continues to conform to program requirements and we're submitting it to the GFOA to determine its eligibility for another award.

TABLE OF CONTENTS

INTRODUCTION AND OVERVIEW

Executive Summary	1
Town Organization	10
Organizational Chart	13
Principal Officials	14
Budget Policy and Objectives and Related Goals	15
Challenges Addressed in Fiscal Year 2017 Budget	17
Development of the Fiscal Year 2017 Budget	18

FINANCIAL STRUCTURE

Budget Overview	21
Budget Calendar	23
Financial Reserve Policies	25
Overall Summary of the Budget	29

FINANCIAL SUMMARY

Financial Plan General Fund	35
Financial Plan Enterprise Funds	45
General Fund and Enterprise Fund Revenues by Year	50
General Fund and Enterprise Fund Expenditures by Year	52
Description of Funds Subject to Appropriation	54
Governmental Fund Balance Classification	55
Non-major Governmental Funds	56
Stabilization Funds	58
Summary of Revenue and Expenditures	60
Detail Expenditures General Fund and Enterprise Fund	61
Five Year Financial Forecast	70

CAPITAL AND DEBT

Report of the Capital Improvement Plan	71
Executive Summary – Capital Improvement Program	76
Debt Service/Net Revenue Ratio Summary	81
Summary of Capital Improvement Recommendations	82
Capital Project Five Year Summary	83
Capital Project Criteria Rating Sheet	85
Capital Project Details	89
Debt Service	113

DEPARTMENT INFORMATION

Town Personnel Analysis	121
Personnel Listing	122

General Government

Town Manager	123
Human Resources	128
Accounting	131
Assessors	133
Treasurer/Collector	136
Town Clerk	138
Conservation	142
Community Development	146
Planning	149
Board of Appeals	152

Public Safety

Police	154
Fire	158
Public Safety Reserve	160
Building Inspection	161
Emergency Management	163

Public Works

Administration	165
Streets and Sidewalks	169
Refuse and Recycling	170
Vehicle Maintenance	171
Structures and Grounds	172
Snow Removal	173

Health and Human Services

Health	174
Elder Services	177
Youth and Recreation Services	180
Veterans Services	183

Culture and Recreation

Library	186
---------------	-----

Support Services

Auditing	189
Admin Support	190
Information Technology	192
Facilities	194

Education

North Andover School Budget	197
North Andover Personnel Listing	198

Non-Departmental

Insurance	
Health and Property Insurance	200

Health Insurance Rate Chart	201
Retirement	205
Cherry Sheet Assessments	206
Finance Committee	209
Legal	209
Unclassified – Shared Cost	209
Capital and Reserves	210
<i>Enterprise Funds</i>	
Water Department	213
Sewer Department	216
Stevens Estate	220

DOCUMENT- WIDE CRITERIA

Statistics	223
North Andover at a Glance	224
Labor Force, Employment and Unemployment in North Andover	225
Largest Taxpayers	226
Departmental Statistics	227
Capital Asset Statistics	231
Glossary of Terms	232
Acronyms	240





Town of North Andover

Office of the
Town Manager
North Andover Town Hall
120 Main Street
North Andover, MA 01845
e-mail:
amaylor@townofnorthandover.com



Andrew W. Maylor
Town Manager
February 5, 2016

Telephone (978)688-9510
Fax (978)688-9556

Executive Summary

Town Manager Recommended Budget Fiscal 2017

I am pleased to submit for your review and consideration the Fiscal 2017 Town Manager Recommended General Fund and Enterprise Fund Budgets for the Town of North Andover. This financial plan was developed with the adopted Budget Policy Statement as a guidepost for determining priorities and is built on our agreed upon foundation that we must deliver a sustainable level of services while honoring our commitment as stewards to leave the community better off at the end of our tenure than when we began.

During the Five Year Financial Forecast presentation back in November and based on the preliminary report of the Revenue and Fixed Cost Review Committee, each department was asked to develop their budgets assuming **NO MORE** than a 3.7% year over year budget increase. It is important to note that the goal in establishing a milestone for budget growth provides each department with a framework for making annual requests for funding but does not guarantee that this funding will be approved if not justified or necessary. This is why you can see fairly large differences in the percentage increases (or sometime decreases) from department to department. It is important to note that our professional staff works diligently to prepare thoughtful and thorough budget requests being mindful of doing what's best for the town as a whole. The Town Manager Recommended Budget for FY17 assumes a 4.1% increase in total spending from FY16 when eliminating the use of "one-time" funding for reserves and a 3.1% increase when those same reserves are included. Although the 4.1% total budget increase exceeds the framework provided to departments this was largely due to increases in several **Non-Departmental/Fixed Costs** such as **Debt Service** and **Retirement**

Assessment. Additionally, last evening the North Andover School Committee voted unanimously to adopt the recommendation of the superintendent of schools for a 3.7% increase. This marks the fourth consecutive year that we have reached a consensus budget by the time the Town Manager's Recommended Budget has been presented to the Board of Selectmen.

For the decade that preceded this achievement we worked on a daily basis trying to do what is right for our community and then reflected on a years' worth of decisions and wondered why the car hadn't gotten washed, metaphorically speaking. In North Andover several years ago we had a reflective moment and decided that we must find a way to remove the distractions that so often get in the way of our ability to achieve more. We embraced the idea that regardless of the role you're in, the first step in effective public leadership is setting the agenda or what we call the PLAN. Effective leaders create an agenda for change with two major elements: 1) a vision balancing the long-term interest of key parties, what we refer to as SUSTAINABILITY and 2) a strategy for achieving that SUSTAINABILITY.

The result of our commitment to our PLAN for SUSTAINABILITY has been in so many ways transformative. The past year has been a continuation of the previous three from an accomplishment perspective. *This is largely due to an agreement by the major players that we accomplish more as a group than as competing parties.* In North Andover being a responsible public administrator requires a **practical** accountability. As a reminder here is a partial list of the successes we have achieved to date with this approach.

- When we lost two significant employers at the West Mill, Schneider Electric and Converse, we worked with the property owner to alter the overlay zoning in the area to encourage new tenants and invested more than \$1million in infrastructure in the area including period lighting and new sidewalks. What is happening today is an amazing revitalization of the area with new shops, restaurants, commercial tenants and market rate housing.
- We have reduced our OPEB liability by \$33,000,000 by making decisions in partnership with employee groups.
- We have migrated to the Group Insurance Commission health insurance program saving more than \$3million.

- We have entered Town Meeting each of the last 4 years with a consensus budget. In fact that consensus was reached months in advance of the Annual Town Meetings.
- We have all union employees, school and town, under contract.
- We have established consolidated departments in IT, Facilities and Purchasing.
- We have implemented a unique Facilities Master Plan which from 2012 to 2019 will invest tens of millions of dollars in new and improved town buildings without the need for an override (which translates as NO ADDITIONAL TAXES). In the past twelve months alone we have opened a newly constructed state of the art central fire station, constructed a new school administration building and within the next 9 months we will open an expanded and renovated town hall. That will mean in 18 months we will have opened three new buildings...and we are not done. In the following three years we will renovate our DPW facility, construct additional classrooms to reduce class size and complete a significant expansion of our senior center.
- Using the Facilities Master Plan as a model we have developed a Playground Improvement PLAN which will invest more than \$1.7 million in the next decade to upgrade all 11 of these community assets.
- Our comprehensive roadway improvement plan supplements the \$800k we receive from the state in chapter 90 funding on an annual basis by 50% annually so that during the next 5 years we will invest more than \$6 million in our roadways.
- We have taken the unusual step of creating a fund to address the rising cost of special education.
- We purchased the town's streetlights saving more than \$500k during the next twenty years.
- Increased dramatically our social media presence.
- Implemented new financial and permit tracking software.
- All this while increasing our reserves by 400% from \$4,000,000 to \$16,000,000.

The FY17 Town Manager's Recommended Budget continues this progress with the following new initiatives:

- Funding to update the Town's Master Plan which was last updated in 2000.
- Funding to recodify the Town's General and Zoning Bylaws, last recodification was in the 1980's.
- Funding for a Librarian who will work jointly for the Stevens Memorial Library and the North Andover Public Schools.
- Consolidating and centralizing the Town's payroll function.

- Consolidating and centralizing the Town's accounts payable function.
- Commence the phased implementation of the exempt employee salary survey.
- Implement a new Computer Assisted Mass Appraisal (CAMA) system.
- Establish a Curriculum Fund using excess Medicaid reimbursement proceeds.
- Begin the phased upgrade of our streetlights to LED.
- Hire an "in house" legal counsel in conjunction with the school department.
- Appropriate \$50,000 to the Other Post-Employment Benefits (OPEB) Fund from the operating budget for the first time in Town history.

Fiscal 2017 General Fund Budget Highlights

Revenue

The revenues for Fiscal 2017 Town Manager Recommended General Fund Budget total \$92,083,589 or a 3.1% increase compared to the Fiscal 2016 approved budget. The revenues are estimated to increase by \$2.7 million year over year and are based on the recommendation of the Revenue and Fixed Cost Review Committee with the exception of the use of Free Cash for **Capital and Reserves** which are recommended by the Town Manger and described in more detail later in this document. Property taxes are assumed to increase by 3.3% or \$2.2 million based on the provisions of Proposition 2 ½ and added New Growth. Local Receipts, which include revenue streams such as the local meals tax, motor vehicle excise tax, and building fees, are expected to increase by 5.2% or \$468k. Specifically, the assumption for the largest category within local receipts, motor vehicle excise, is an increase of \$300k to \$4.0 million in FY17 reflecting a slow but steady trailing indicator to the economy. Until the final state budget is signed by the Governor (sometime well after the Annual Town Meeting), we will not be certain about the final state aid amounts and therefore we have continued our practice of level funding state aid. That being said, the Governor's Budget assumes a lower than expected increase in this revenue category. The indirect costs incurred by the Enterprise Funds and reimbursed to the General Fund are the primary revenue source in the Operating Transfers category.

Expenses

Total recommended General Fund Spending for FY17 is \$92,083,589 or a 3.1% increase compared to the Fiscal 2016 approved budget (including one-time revenue for reserves).

Non-Departmental/Fixed Costs

This category represents approximately 27% of all General Fund spending. The budget recommendation incorporates the Revenue and Fixed Cost Review Committee estimates, as well as adding recommendations made under **Capital and Reserves**, and an additional \$383k for an expected increase in Health Insurance premiums, for a total of \$25.1 million or an increase of 1.8%. This percentage increases to 5.7% when excluding **Capital and Reserves** (explanation below). The Retirement Assessment of \$4.4 million, an increase of \$361k, is based on a funding schedule independently prepared for the Essex Regional Retirement Board of which North Andover is the largest member. The 8.9% increase in this category should be expected annually for the next decade or more. Health insurance premiums for active and retired employees are projected to increase this year by upwards of 7.0% although the actual rate increase will not be known until early March. Current year spending in this category is tracking very well and therefore, the recommendation is that actual budgeted spending will only need to increase by 3.8% to cover next year's costs. There are projected increases in most of the town's various insurance accounts (Workers Compensation, Police and Fire, and Property and Liability) although nothing notable. A retrospective three year view of Unemployment Compensation has led to a recommendation to decrease this category by \$25k after a \$50k decrease last year. An anticipated increase in the number of students attending both the Essex Agricultural and Greater Lawrence Technical High Schools has resulted in a recommendation that these expenses be increased by approximately \$137k.

Capital and Reserves

This line item within the *Non-Departmental/Fixed Costs* category includes recommended and required transfers to various reserve accounts in the amount of approximately \$1.1 million, down from \$2 million in FY16. Specifically, in FY17 the Town Manager Recommended Budget includes an increase in the annual appropriation to the Capital Stabilization Fund to \$350k from \$213K and an appropriation of \$60k to the general Stabilization Fund to achieve the 5% reserve standard which is our goal. Both of these requests will be funded with **Free Cash**. Last year we requested \$750k to establish a SPED Stabilization Fund and this amount was not included in this year's Recommended Budget resulting in a sharp decrease in this expenditure category (but also the corresponding revenue). The Overlay Reserve Fund is used to pay for approved property tax abatements and the recommended amount of \$550k this year is consistent with past years. The Overlay Reserve Fund is funded by Operating Revenues.

School and Municipal Government Spending

The approved School Department budget which I support reflects an increase of 3.7% in FY17. I am recommending total Municipal spending increase by 2.4% over FY16. However, for many of the larger **Municipal** Departments (ex. Police, Fire and Library) I am recommending 3.7%/3.6% increases and in some departments such as the Town Clerk, Assessing and Treasurer/Collector the budget recommendation will exceed 3.7%. The transfer of the Payroll and Accounts Payable functions into shared **Support Services** also has the effect of lowering the total Municipal budget increase artificially.

Staffing

General Fund – School Department

The approved School Department Budget for FY17 recommends an increase of 3.5 Full Time Equivalent (FTE) employees: A Library media specialist (1 FTE), 1 FTE for the existing TIP program, 1 FTE for Related Arts teacher at the Middle School, and a .50 FTE Reading Specialist. This is exclusive of the 1 FTE Library media specialist that will be shared with the School Department (.50 FTE each).

General Fund - Municipal Government

Municipal General Fund staffing for FY17 represents a 2.0 FTE increase from FY16. One of those FTEs is the result of incorrectly underreporting staff positions last year in the Public Works department. The true additions are a .70 FTE increase in Library staffing of which .50 FTE is the joint Librarian with the School Department and a .30 FTE increase in Inspectional Services resulting from increased hours for the Town's Plumbing Inspector. The 1 FTE decrease in the Town Accountant department and the corresponding increase in the Admin Support department is the result of the transfer to Shared Services of the Payroll function. Similarly the 1 FTE increase in Planning is offset by a 1 FTE decrease in the Community Development department to reflect the proper cost center. The other .30 FTE decrease in Community Development reflects a change in the cost center of the executive assistant to the Stevens Estate. Finally, the .40 FTE increase in Information Technology is not the result of additional staffing but the cost center change of a school technology staff member. The bottom line is that the Municipal FTE count has increased by a net of 1 in FY17.

Support Services

The Support Services category represents those departments which deliver services to both School and Municipal (general government) departments, in other words, shared services. For budgeting purposes, the costs to operate these departments are established and accounted for prior to the allocation of remaining funds to other departments. In FY17 this category is recommended to increase by \$196k or 12.5% which is largely attributable to an \$81k increase in **Admin Support** and a \$104k increase in Information Technology. The increase in **Admin Support** is the result of centralizing the Payroll and Accounts Payable functions. A substantial portion of the increase in Information Technology is the result of a \$40k increase in capital spending to replace storage arrays and the change in the cost center of a school department IT staff member to Support Services.

Fiscal 2017 Enterprise Fund Budget Highlights

Water

The recommended Water Enterprise Fund budget for FY17 will see a decrease of 6.4% compared to FY16 (\$5.0 million vs. \$5.3 million) largely attributable to a \$260k decrease in debt service and a \$160k decrease in pay-as-you-go capital funding from retained earnings. Total Personnel Costs are recommended to remain largely unchanged due to an overstated salary reserve in FY16 while other non-debt related expenses are expected to increase by approximately 4.0% or approximately \$62k. The fund balance in the Water Enterprise Fund has reached the four months worth of operating reserves ceiling per the Financial Reserve Policy and any retained earnings in excess of that amount will be used to offset rates through pay-as-you-go capital purchases. If the recommended budget is approved by Town Meeting, water rates should remain unchanged for the 5th consecutive fiscal year.

Sewer

The recommended Sewer Enterprise Fund budget for FY17 will see a 3.15% increase from FY16 (\$4.66 million vs. \$4.51 million) largely attributable to an increase of more than \$280k in the assessment from the Greater Lawrence Sanitary District and an increase in pay-as-you-go capital funding from retained earnings of \$70k. These increases are offset by a continued decrease in Debt Service which has declined for the third straight year while personnel related costs have been adjusted modestly (\$39k) downward to reflect more accurate spending. The fund balance in the Sewer Enterprise Fund has reached the four months worth of operating reserves ceiling per the Financial Reserve Policy and any retained earnings in excess of that amount will be used to offset rates through pay-as-you-go capital purchases. If the recommended budget is approved by Town Meeting, sewer rates should remain unchanged for the 5th consecutive fiscal year although continued

increases by the GLSD of the magnitude similar to FY17 will likely cause the need to increase rates in future years.

Stevens Estate

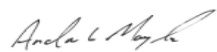
The performance of the Stevens Estate in FY16 continues to be strong and I fully expect that the Fund will generate its fourth consecutive profitable year. Given the nature of how Enterprise Funds operate and the for-profit context of the Estate, in order to keep pace with the increased bookings the expenses will also need to increase to generate additional revenues. This year the expense increase is 8.7% **when excluding capital spending**. For the first time since the Town purchased the Estate there is sufficient Enterprise Fund retained earnings to reinvest a portion of those earnings (\$125k) in much needed capital improvements. This is a positive step since the long term concern regarding the Stevens Estate lies in the area of capital maintenance of not only the main building but also the Gate House and Carriage House. Based on information provided by a consultant retained by the town, the property could require several million dollars in improvements during the next several years which would likely far exceed any profits generated by the function facility. This new component to the Town Manager Recommended Budget results in distorting the increase in the budget year over year.

Conclusion

The development of this recommended budget would not be possible without a commitment by all departments to review each and every line item in their budgets so that their FY17 requested funding is consistent with our goals of sustainability, stewardship, and service, while being mindful of the limits of our funding. We are extremely fortunate to have such a professional and skilled staff that is committed to excellence. I need to recognize the extraordinary partnership we have developed with the North Andover School Department. I have been truly amazed by the competence, passion and energy of our new superintendent Jennifer Price. I look forward to working with her during the next several years as we continue our journey down the positive path that has allowed us to accomplish so much and which foreshadows great future successes. I would also be remiss if I did not single out Finance and Budget Director Lyne Savage and Assistant Town Manager Ray Santilli for their invaluable assistance in helping me prepare this budget. The professional comradery that exists between all those involved in the budget process has made North Andover a model community that others surely would like to emulate.

I am confident that you will find that the material contained within this document is consistent with the purposes and policies prioritized by the Board in the Budget Policy Statement and I look forward to working with you and the Finance Committee between now and Town Meeting.

Regards,

A handwritten signature in cursive script, appearing to read "Andrew W. Maylor".

Andrew W. Maylor

Town Manager

Town Organization

Background

The Town of North Andover is located in Essex County, approximately 24 miles north of Boston. The Town lies along the banks of the Merrimack River and is surrounded by the Towns of Boxford, Andover, Middleton, North Reading, and the Cities of Lawrence, Haverhill and Methuen. The settlement of the Town began in 1640 and was incorporated as Andover in 1646. The community was split into the North Parish (now North Andover) and South Parish (now Andover) in 1709 and North Andover was incorporated as a separate entity in 1855. North Andover is governed by an open Town Meeting form of government, a five-member Board of Selectmen and a Town Manager pursuant to a Home Rule Charter that went into effect in 1986. Although North Andover contains several industrial parks, the Town has retained a rural character and contains over 3,000 acres of preserved open space. North Andover is served by Route 495, Route 125, Route 133 and Route 114. North Andover is a thriving community with an excellent school system, efficient services and a strong commitment to its citizens.

The Town provides general governmental services for its citizens, including police and fire protection, collection and disposal of refuse, public education for pre-kindergarten through grade twelve, water and sewer services, parks and recreation, health and social services, libraries/culture as well as maintenance of streets and other infrastructures. The Merrimack Valley Regional Transit Authority ("MVRTA") provides bus coverage for certain routes around the Town with connections to the surrounding communities with the Merrimack Valley area.

Town Charter

The Town is governed by a home rule charter that provides for an Open Town Meeting - Board of Selectmen - Town Manager form of town government; with Town Meeting defined as the Legislative body, Board of Selectmen as the Executive body and the Manager as the Chief Administrative Officer. In accordance with Chapter 2 “the legislative powers of the town shall be exercised by a town meeting open to all registered voters of the town”. As defined in Chapter 3 “the Board of Selectmen shall serve as the chief goal-setting and policy-making agency of the town and, as such, shall not normally administer the day-to-day affairs of the town, but shall instead regularly direct the Town Manager to help it in carrying out its administrative duties, and make recommendations to the town meeting relating to actions required to be taken by that body.” As defined in Chapter 4 “the Town Manager shall be the chief administrative officer of the town and shall be responsible for administering and coordinating all employees, activities and departments placed by general law, this charter or by-law under the control of the Board of Selectmen and of the Town Manager.”

Board of Selectmen

Tracy M. Watson, Chairman
Phil DeCologero, Clerk
Rosemary Connelly Smedile
Donald B. Stewart
Richard M. Vaillancourt, Licensing Chairman

School Committee

The School Committee has general charge and superintendence of the public schools of the Town. The School Committee is comprised of five members elected at large. The School Committee has the power to select and terminate a superintendent of schools, establish educational goals and policies for the schools consistent with the requirements of the laws of the Commonwealth and standards established by the Commonwealth. The School Committee also has all the power and duties given to school committees by the laws of the Commonwealth.

The members of the 2015-2016 School Committee are:

Brian Gross, Chair
Andrew McDevitt, Vice Chair
Stanley Limpert, Clerk
David Torrisi, Member
Zora Warren, Member

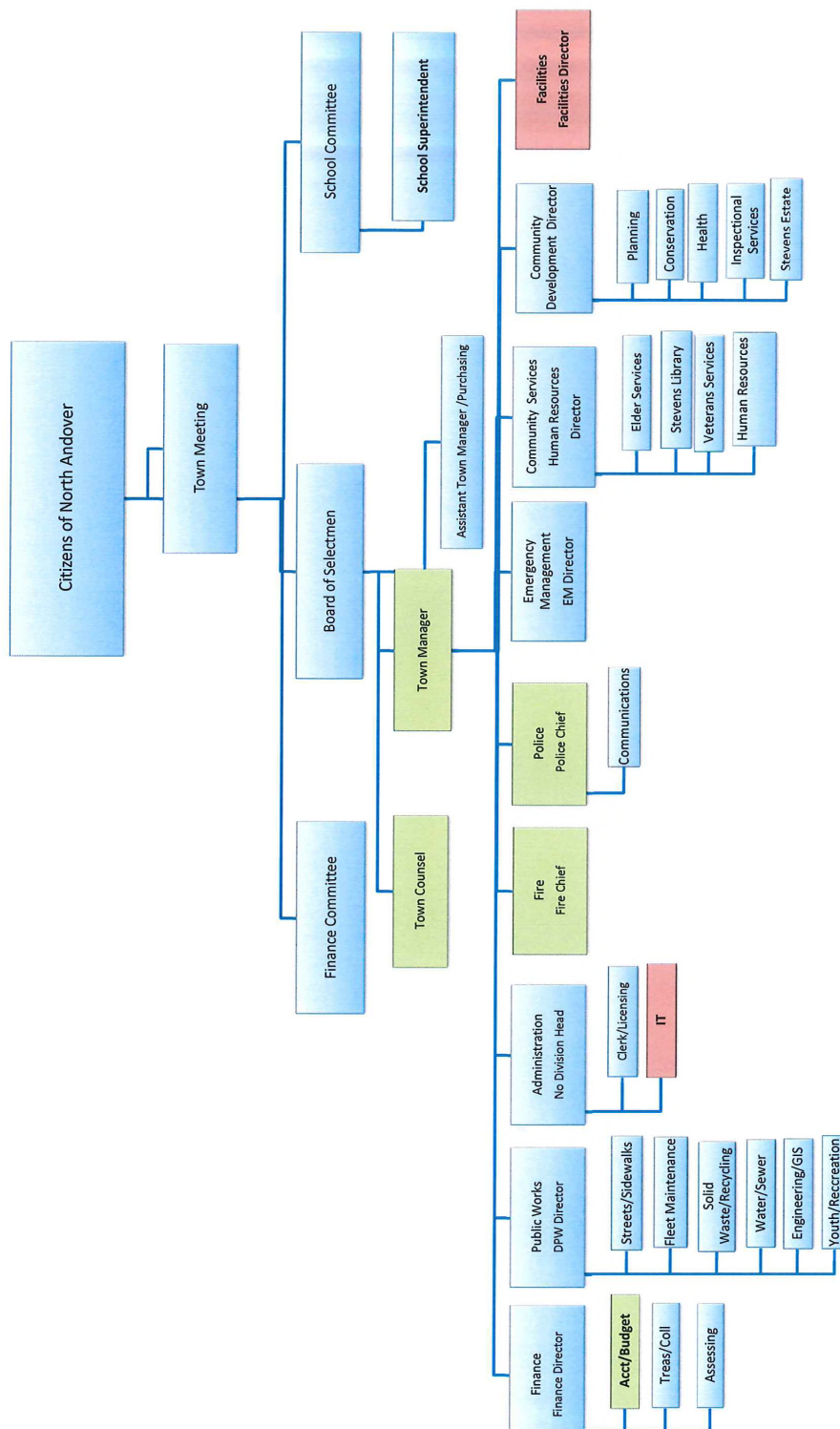
Revenue Fixed Cost Review Committee

The Revenue Fixed Cost Review Committee advises the Town Manager on revenue, other financial sources and fixed cost projections for the town operating budgets. The Committee shall consist of two finance committee members, the School Superintendent, the Director of Finance and Administration, and the Town Accountant. The Town Manager shall serve as an ex-officio member of the committee. The Committee shall meet within thirty (30) days but no later than December 1st of the issuance of the Board of Selectmen budget policy statement provided for in Chapter 9, Section 2-3 of the Town Charter and shall report to the Town Manager and the Finance Committee their initial estimates for revenue and other financial sources projections and fixed cost estimates for the following year's annual operating budget within forty-five (45) days of the Committee's first meeting. The Committee's report shall identify and describe all revenue and financing sources and anticipated fixed costs and shall provide a written rationale supporting estimates contained therein.

Boards and Commissions

In addition to being shaped and influenced by the Town's elected officials and appointed staff, Town policy and programs are impacted by the actions of the Town's Boards and Commissions. The size, responsibility and source of authority of the Town's Boards and Commissions vary. With the exception of those members who derive their appointments as a result of their position in Town government and the Town Charter mandating their membership, the Board of Selectmen or the Town Manager appoints new members in accordance with the Town Charter along with the remaining members of the respective board in accordance with the provisions of general law.

TOWN OF NORTH ANDOVER ORGANIZATIONAL CHART



Boxes in Red indicate joint Town/School departments.
Boxes in Green represent Department Head Appointed by Selectmen

PRINCIPAL OFFICIALS		
Department	Official (s)	Additional Areas of Authority
Accounting	Lyne Savage, Town Accountant	Finance Director, Budget Director
Administration	Andrew Maylor, Town Manager	
	Raymond Santilli, Assistant Town Manager	Purchasing Agent
Assessing	Garrett Boles, Assessor	
Community & Economic Development	Eric Kfoury, Director	
Conservation Department	Jennifer Hughes, Administrator	
Elder Services	Irene O'Brien, Director	
Emergency Management	Jeff Coco, Manager	
Facilities Management	Stephen Foster, Manager	
Fire Department	Andrew Melnikas, Chief	
Health Department	Vacant, Manager	
Human Resources	Cathy Darby, Director	
Information Technology	Christopher McClure, Director	
Inspectional Services	Gerald Brown, Inspector of Buildings	Plumbing, Electrical
Library	Kathleen, Keenan, Director	
Planning Department	Vacant, Manager	
Police Department	Paul Gallagher, Chief	
Public Works	Bruce Thibodeau, Director	Water, Sewer, Streets, Fleet, Buildings, Solid Waste
Stevens Estate	Joanna Ouellett , Director	
Town Clerk	Joyce Bradshaw, Clerk	
Treasurer/Collector	Brian Conway, Treasurer / Collector	
Veterans Services	Gerry McGuire, Veterans Agent	
Water Treatment Plant	Glen Alt, Manager	
Youth & Recreation Services	Richard Gorman, Manager	

Budget Policy Objectives and Strategic Goals

The financial constraints which existed in the first decade of this century have been replaced with an environment of relative fiscal stability, especially during the past three years. The FY17 spending plan will continue to focus on maintaining the Town's commitment to the "Fundamentals" a set of policy objectives that seek to promote a single, pro-North Andover agenda predicated on sustainability and stewardship. Contained within those Fundamentals are priorities established by the Board of Selectmen as part of their strategic planning process. The primary focus of the Fundamentals, assuming these priorities, includes:

- Financial - steadily improving the Town's financial condition through balancing budgets and advancing responsible reserve policies that strengthen local government's flexibility to act on pressing needs while protecting against the impacts of economic downturns that could threaten municipal services delivery and the viability of the Town government. ***The Board will continue to implement the financial reserve policies adopted in April 2015 to achieve acceptable reserve standards, along with increasing pay-as-you go capital funding, reducing the OPEB liability and maintaining a structurally balanced budget. The Town will seek to expand regional strategic partnerships with surrounding communities.***
- Economic Development – further supporting the Town through an aggressive agenda that seeks to attract new revenue in a variety of forms, including property tax, auto excise tax and building inspection fees. ***The Town will continue the implementation phase of the "vision" created for the Route 125 corridor detailed in the UMass Center for Economic Development report. Specifically, the Town will establish a curb cut policy and request that state officials include in the state budget funding for road enhancements for the Route 125 corridor. Additionally, the Town will aggressively market North Andover to the larger business community and establish relationships with current business owners to help prevent them from leaving North Andover.***
- Neighborhood Enhancement – continually producing improvements in each and every neighborhood of the Town by updating infrastructure through a functioning Capital Improvement Program, cleaning streets, enhancing open space, and tackling and resolving long-standing problems. ***The Town will continue with the five (5) year roadway improvement plan and provide an updated plan on the Town website. The Town will develop a plan to improve the streetscape in the downtown Main Street area, including exploring the option of installing underground streetlights and providing assistance to property owners for storefront improvements in that area. The Board has directed the Town Manager to focus on developing a preliminary plan for a Community Field Complex located at the Middle/Atkinson Schools. The next phase of the Playground Master Plan, Kittredge School Playground improvements, will also commence in FY17. The Board will review certain parcels in town that have a potential for large scale development to determine if the Town may be interested in pursuing any parcels that, if developed, may have a detrimental impact on delivery of town services. The Town will seek assistance from the state to install noise barriers along Route 495 and to limit the amount of temporary signs on public property.***

- Community Development – fully encouraging partnerships between Town government and its stakeholders in North Andover’s success, including other governmental entities, the business community, non-profit leaders, neighborhood groups and individual residents, in order to support a broad array of programs and initiatives that may or may not be Town-run, but are all supportive of the Town’s desire to promote the advancement of its families and individual residents over a broad range of human needs, including, but not limited to, affordable housing, health care, education and job training. ***In FY17, the Board will continue to improve neighborhoods while at the same time supporting funding for affordable housing to residents, by working with non-profit organizations, the Affordable Housing Trust and the Community Preservation Committee to rehabilitate distressed properties in Town. Additionally, the Board supports the continued ownership by the Town of the Stevens Estate and the surrounding open space, but will explore the cost/benefit of the Estate’s ancillary structures and grounds.***
- Public Safety – constantly improving upon the protection of the public and its property by initiating policy and providing the necessary resources, be it training, staffing or equipment, to effectively carry-out the missions of the Town’s law enforcement, fire and emergency management agencies. ***The Board will work with public safety departments and other relevant Town departments, including the school department, and collaborate with other communities, to develop a plan to address substance abuse and drug trafficking problems affecting our area.***
- Governmental Philosophy – becoming a more open, responsive and responsible municipal government that not only hears the needs of its people, but develops and initiates efforts designed to address those needs in an honest, fair, equitable, accountable and cost-effective manner, while never sacrificing good government for the benefit of those whose goals run counter to that of a pro-North Andover agenda. ***In FY17, the Town will remain committed to the implementation of the Facilities Master Plan adopted by the Town Meeting of 2012, reach out to departments to get feedback regarding priorities and continue to make improvements to the Town’s website. The Town will also continue to use social media and other electronic communication systems to inform and engage the public. On an annual basis, the Board will review and update their policies and procedures and will meet with appointed Boards and Committees for updates and feedback.***

Challenges Addressed in the Fiscal Year 2017 Budget

As in previous years the FY17 Budget is predicated on an agenda that strives to promote a “Pro North Andover” environment both locally and regionally. It focuses on the “Fundamentals”, a set of broad policy statements regarding the Financial, Economic Development, Neighborhood Enhancement, Community Development, Public Safety and Governmental Philosophy objectives that will guide the Town, in one form or another, for years to come. Specifically, the FY17 Budget addresses major challenges relating to those Fundamentals, including:

Defining and Managing Budget Issues for FY17 and Beyond – Identifying and managing budgetary issues in the face of a new economic environment which is remarkably unpredictable has represented an annual challenge during the past several years and FY17 is no different. That being said, our emphasis on budgeting conservative revenue growth, recommending structurally balanced budgets and building reserves to adequate levels has positioned us to weather almost any financial storm. However, short term successes should not be confused with true sustainability and decision makers must remain focused on the long term and avoid “feel good” short term thinking.

Promote Economic Development, Asset Improvement and Maintenance– The FY17 Budget contains funding for organizational changes which we believe will assist in attracting new businesses and retaining existing ones. Also, increased funding of pay-as-you-go capital projects is an important component of this budget, consistent with the past several years, as is the continued funding of the Town’s Reserve Funds. The continued investment in the Town’s capital assets, including the next phase of the Facilities Master Plan, will reduce the costs associated with having to replace failing systems prior to the end of their anticipated useful life.

Delivering High Quality Services that are Sustainable in the Long Term – The FY17 Budget is in balance without the use of one-time revenues for the fifth consecutive year. As has been the consistent theme for the past several years, the goal is to create sustainable service delivery.

Development of the Fiscal Year 2017 Budget

The budget development process is structured to integrate long range planning with the specific short term decisions that need to be made in the upcoming fiscal year's budget. The Town has adopted the Government Finance Officers Association (GFOA) budget format and other tools to enhance the thoughtfulness and depth of the information gathering process that ultimately leads to an approved comprehensive financial plan. The framework of the budget development process includes:

Strategic Budget - Based on Long-Term Policies and Plans - The budget process began in October with a strategic planning session involving the Town Manager and Board of Selectmen. The Town Manager's Five Year Financial Forecast to be presented in November, adopted Financial Reserve Policies, the Five Year Capital Improvement Plan, and the continued implementation of the Facilities Master Plan will provide the linkage to the strategic context for the budget and reinforces the budget's role of implementing priorities within these plans.

Financial Context for the Budget – This review of available funding sources is a crucial first step in the capital planning and budget processes of the Town. This policy statement will provide the initial focus for budgeting development by setting broad expectations for the upcoming budget cycle and giving general direction to budget planners.

Using the consensus State revenue estimate developed in early 2015 as a barometer, the economic scan for FY17 indicates that growth in the 4% - 6% range is realistic (4.8% for FY16). However, projecting how state economic growth translates into additional state aid or local receipts such as motor vehicle excise tax can be a tricky business. Continuing our focus on prudent financial management, which we began four fiscal years ago, we will assume very conservative revenue projections including level funded state aid and a five year rolling average for revenue categories most prone to fluctuation. It should be noted that this approach has already resulted in a significant growth in reserve balances since FY12, increased financial flexibility and positive change in outlook from Standard and Poor's. We are continuing to see a revived interest in local economic development projects shelved during the Great Recession of 2008-2009, and some of the larger projects have begun to materialize driving increased building and other inspectional service fees. However, there is not enough empirical data to assume that these positive strides represent a trend in this area or that they will permanently drive other revenue sources such as New Growth or Meals Tax.

Internal and external inflationary pressure remains modest and the result is a controllable increase in expenditures. However, employee related costs still remain the most critical component of the town's budget even after the transfer to the Group Insurance Commission (GIC) which saved millions in health insurance costs for both the town and employees. As an example, the town's retirement appropriation is expected to increase by more than 8% annually during the next decade and currently represents nearly 5% of the town's General Fund expenditures. The focus is, and will remain, on creating a sustainable service

delivery model into the future by researching and implementing creative ways to control spending through the use of technology and developing strategic partnerships.



North Parish
Photo Courtesy of Millie Matasso

Budget Overview

Citizen's guide to the Fiscal Year 2017 Budget

The budget is a blueprint of Town services and facilities for Fiscal Year 2017. It identifies policy decisions by the community and guides the Town's operations.

Communication Tool - The budget is intended to communicate to a broad range of readers, both in the Town of North Andover and surrounding area as well as the larger governmental and financial community. The document expresses priorities and goals, assignments and plans, targets and hopes. It is a key statement of Town priorities.

Budget Format – The budget summary contains summary totals from all operating segments. The revenue section details revenue sources with expected trends. Each departmental section contains a department narrative, which includes organization, program functions, goals and financial data relating to the entire department. The enterprise section includes revenue and expenditure trends of the self-sustaining enterprise funds along with departmental goals. The CIP section details all expected capital program outlays in the current fiscal year, as well as a summary of the next following years.

Basis of Budgeting and Accounting - The Town's Accounting and Budget are prepared on a basis other than generally accepted accounting principles (GAAP basis). The Town follows the State mandated Uniform Municipal Accounting System (UMAS) where the actual results of operations are presented on a "budget (cash) basis" to provide a meaningful comparison of actual results with the budget. The major difference between the budget UMAS and GAAP basis is that:

- Revenues are recorded when cash is received, (budget) as opposed to when susceptible to actual (GAAP).

The accounts of the Town are organized into various funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. These fund groups are briefly described as follows: General Fund-this is used to account for the operating activity for all Town departments; Special Revenue-records the activity of all Town grants; Revolving and gift accounts used to supplement departmental operations; Enterprise-Operating activity of fee based self- supporting programs (currently the Town has three enterprise programs; Water, Sewer and Stevens Estate at Osgood Hill Conference Center), Capital -used to track the expenditures of the approved capital improvement programs and Trust/Agency. Only the General, Enterprise and Capital Project Funds are subject to the appropriation process.

Budget Procedure - The preparation of the Annual Budget for the Town of North Andover is governed by the provisions of Chapter 9 of the Town Charter. The budget cycle for FY17 was initiated in September 2015. In November the Revenue Fixed Cost Committee meets to begin the process of making recommendations for the FY17 revenue projections which are presented to the Town Manager to assist with his recommendations for the FY17 budget. In December the Town Manager convened a Town wide annual budget meeting attended by all department heads and finance personnel concerning a general overview of the budgetary limitations as well as an outline of specific guidelines dictating the preparation of individual department

budgets. Each department then prepared FY17 operating budgets and a program summary outlining the projected goals for the future. These operating budgets, which include expenditure and revenue estimates were submitted to the Town Manager by January 13, 2016.

In February, each department made a presentation, based on their adjusted budget submittal to the Town Manager, Assistant Town Manager and Finance Director justifying proposed budgets and program changes for the coming year.

The budgets submitted were reviewed and adjusted by the Town Manager, Assistant Town Manager and Finance Director based on the individual needs of each department. During the month of February the Finance Director finalized the Annual Budget document for submission to the Board of Selectmen and Finance Committee.

From the time of submission to the date of Town Meeting (May), the Finance Committee holds a series of public reviews of the Town Manager's recommended budget to solicit citizen participation regarding departmental budget requests. The Finance Committee and Board of Selectmen make recommendations on the Manager's budget request and submit their recommended budgets to Town Meeting. Annual Town Meeting in May shall adopt the operating budget with or without amendments. Town Meeting has the jurisdiction to make reductions and additions to the proposed budget without the consent of the Board of Selectmen, Finance Committee or Town Manager. There are two categories of adjustments that may be made to the adopted budget during the fiscal year: 1 - management can authorize transfers; requests such as line item transfers or a transfer within the broad appropriation categories and 2 - only a Town Meeting can alter the appropriated categories or add to the total appropriation.

Budget Process and Controls – The level of budgetary control is established by Town Meeting and this approval defines the level at which expenditures may not exceed appropriations. This level is typically at the functional level. Additional appropriations may be approved at subsequent Town Meetings. These controls ensure compliance with the budget approved at Town Meeting.

Mass Gen. Law Requirements – The budget preparation process for all towns is governed by MGL Ch. 44. The General Laws require that the budget be supported by revenues earned during the year plus any savings from prior years. The General Laws also requires public involvement in the process, including the requirement for a public hearing on the proposed budget.

FY17 BUDGET CALENDAR

Board of Selectmen set calendar	September 6, 2015
Capital Improvement Plan instructions distributed	September 30, 2015
Budget Policy Statement adopted	October 19, 2015
Capital Improvement Plan requests submitted	October 28, 2015
Operating Budget instructions distributed	November 5, 2015
Revenue/Fixed Costs Review Committee initial meeting	October 30, 2015
Town Manager presents Five-Year Financial Forecast	November 30, 2015
Recommended Capital Improvement Plan issued to Selectmen	December 21, 2015
Recommended CIP forwarded to Finance Committee	December 22, 2015
Revenue/Fixed Costs Review Committee issues final report	December 15, 2015
Superintendent submits budget to School Committee	January 7, 2016
Departmental Operating Budget requests submitted	January 13, 2016
Board of Selectmen vote to adopt Capital Improvement Plan	January 18, 2016
School Committee holds public hearing	January 28, 2016
School Committee votes on School Department budget	February 4, 2016
Recommended Operating Budget issued to Selectmen	February 8, 2016
Recommended Operating Budget forwarded to Finance Committee	February 9, 2016
Board of Selectmen vote to adopt Operating Budget	March 7, 2016
Warrant for Annual Town Meeting	March 7, 2016
Finance Committee Public Hearing	March 28, 2016
Finance Committee Recommendations and Report due	April 7, 2016
Distribution of Annual Town Meeting Warrant	April 15, 2016
Annual Town Meeting	May 10, 2016

BUDGET PREPARATION SCHEDULE

[illegible]

Town of North Andover

Financial Reserve Policies

Adopted by the North Andover Board of Selectmen on February 10, 2014

Adopted by the North Andover Finance Committee on February 5, 2014

Updated and adopted by both the Board of Selectmen in April 2015 and the Finance Committee in May 2015

Fund balance and reserve policies should be established to protect the Town from unforeseen increases in expenditures, reduction in revenues, or a combination of both, or any other extraordinary events. Fund balance and reserve policies also serve to provide an additional source of funding for capital construction and replacement projects. Reserves should normally average 5% to 15% of the Town's General Fund budget.

There are two classes of reserves: 1) restricted reserves which are to be utilized only for the purpose designated, 2) unrestricted reserves which can be utilized at the discretion of the authorized personnel.

Reserve policies cover; Operating Reserves, which provide for unanticipated expenditures or unexpected revenue losses during the year; Capital Reserves, which provide for normal replacement of existing capital plan and the financing of capital improvements; OPEB Reserves provide for funding of other post- employment benefit liability; Cash Flow Reserves, which provide sufficient cash flow for daily financial needs; and Contingency Reserves provide for unanticipated expenditures.

The Town shall maintain the following general, special and strategic reserve funds:

- **Operating Reserves**—The maintenance of adequate operating reserves is essential to the financial strength and flexibility of the Town as a whole. Adequate operating reserves are integral parts of the financial structure of the Town and help make it possible for the Town to issue debt, among many other functions.
1. **Undesignated Fund Balance**- Operating fund balance shall be maintained at sufficient levels to absorb unpredictable revenue shortfalls and to insure desired cash flow levels. With regard to the General fund, cash balances available at year end shall, in combination

with the new revenues, be sufficient to preclude any requirement for short-term debt to sustain Town operations. Should this fund balance fall below 5% of the "Fund Balance Floor", defined as General Fund revenue less state aid and appropriations to reserve accounts, a plan for expenditure reductions and/or revenue increases shall be submitted to the Board of Selectmen during the next budget cycle.

2. Free Cash – This reserve provides for the temporary financing of unforeseen opportunities or needs of an emergency nature including increases in service delivery cost. This is the portion of undesignated fund balance certified by the Department of Revenue, Division of Local Services, as "Free Cash". Monies held in this reserve may be appropriated during the current budget year and may also be used as a source of revenue for the ensuing budget year. Of all general fund reserves this is the most flexible.
- **Stabilization Fund** – a Stabilization Fund shall be maintained, under the provisions of MGL Chapter 40, Section 5B.
 1. The target funding level (TFL) for the Fund shall be an amount equivalent to 5% of the Town's prior year's Total General Fund Revenue less appropriations to reserve accounts. A Stabilization Fund Floor shall be established at 1.5% of the Town's prior year's Total General Fund Revenue less appropriations to reserve accounts. The Fund shall be funded only with Free Cash or one-time revenues.
 2. The Stabilization Fund may only be used under the following circumstances:
 - a. To support the operating budget when General Fund Net Revenue, as defined as Total Revenue less debt exclusions and state school building reimbursements, increases less than 2.5% from the prior fiscal year.
 - b. To fund capital projects, on a pay-as-you-go basis, when available Free Cash drops below \$2 million in any year and only if the Capital Stabilization Fund has reached its floor as defined in the Capital Stabilization Fund section of this policy.
 3. The level of use of the Stabilization Fund shall be limited to the following:
 - a. When supporting the operating budget under "2a" above, the amount drawn down from the fund shall be equal to the amount necessary to bring the year-over-year increase in the Town's prior year Net Revenue to 2.5%, or \$1 million, whichever is less. The draw down shall not occur in more than three consecutive fiscal years and the maximum shall not exceed \$2.5 million for the three year period.
 - b. When funding capital projects, on a pay-as-you-go basis under "2b" above, no more than \$1 million may be drawn down from the fund in any fiscal year. The draw down shall not occur in more than three consecutive fiscal years and the maximum shall not exceed \$2.5 million for the three year period.
 4. In order to replenish the Stabilization Fund if used, in the year immediately following any draw down, the Town shall formulate a plan to restore the Fund to the previously identified

TFL. Said funding shall come from Free Cash.

- **Capital Stabilization Fund** a Stabilization Fund shall be maintained, under the provisions of MGL Chapter 40, Section 5B.
 1. The TFL for the Fund shall be an amount equivalent to 1% of the Town's prior year Total General Fund Revenues. A Capital Stabilization Fund Floor shall be established at \$25,000. The Fund shall be funded only with Free Cash or one-time revenues.
 2. The Capital Stabilization Fund may only be used to fund projects which have been approved as part of the Town's Capital Improvement Plan (CIP).
- **Other Post-Retirement Benefits (OPEB)** – – a Stabilization Fund established per the provisions of MGL Chapter 40, Section 5B, and a Trust Fund established per the provisions of MGL Chapter 32B, Section 20 shall be utilized to reserve funds to offset the Town's OPEB liability.
 1. The aggregate target funding level (TFL) for these Funds shall be an amount equivalent to 5% of the OPEB unfunded actuarial liability.
 - a. An amount equal to no less than 1% of the OPEB unfunded actuarial liability shall be transferred to the Stabilization Fund from the Town's Health Insurance Trust Fund at the time that the Stabilization Fund is established. Annually, an amount equal to a minimum of 2.5% of the aggregate Fund balance of these Funds shall be appropriated to either Fund from the operating budget or Free Cash or both.
 - b. From time to time the Town shall analyze the balance in the Health Insurance Trust Fund to determine if additional funds can be transferred into the OPEB Funds.
 2. In order to replenish the Funds if used, in the year immediately following any draw down, the Town shall formulate a plan to restore the Funds to the previously identified TFL. Said funding shall come from Free Cash.
- **Overlay Reserve** – established per the requirements of MGL Chapter 59, Section 25, the Overlay is used as a reserve, under the direction of the Board of Assessors, to fund property tax exemptions and abatements resulting from adjustments in valuation. The Board of Selectmen shall, at the conclusion of each fiscal year, require the Board of Assessors to submit an update of the Overlay reserve for each fiscal year, including, but not limited to, the current balances, amounts of potential abatements, and any transfers between accounts. If the balance of any fiscal year overlay exceeds the amount of potential abatements, the Board of Selectmen may request the Board of Assessors to declare those balances surplus, for use in the Town's Capital Improvement Plan (CIP) or for any other one-time expense.

- **Enterprise Fund Retained Earnings Reserve** – to provide rate stability in the Water and Sewer Enterprise Funds, the funds will maintain retained earnings equivalent to a minimum of three months of appropriated expenses. Retained earnings in excess of four months will be appropriated to offset user fees directly or indirectly through capital project pay-as-you-go funding of enterprise fund projects.

 - **Special Education Stabilization Fund** – to provide stability in the delivery of public education that could otherwise be adversely impacted by costs associated with special education which were unforeseen at the time the annual fiscal appropriation was adopted by an Annual Town Meeting, the Town will establish a Stabilization Fund per the provisions of MGL Chapter 40, Section 5B. For the purpose of this policy unforeseen costs are those for which neither experience nor reasonable judgment or planning could have anticipated.
-
1. The target funding ceiling (TFC) for this Fund shall be \$750,000 and the target funding floor (TFF) shall be \$100,000.

 2. The school department can request a transfer from this Fund in an amount not to exceed \$250,000 in any one fiscal year if the following conditions are met:
 - a. Eligible costs are limited to out of district placements and transportation costs associated with out of district placements.
 - b. The costs were unforeseen prior to the adoption by Town Meeting of the school department budget in the fiscal year the funds are being requested.
 - c. The School Committee, Finance Committee, and Board of Selectmen each by majority vote affirm that the costs were unforeseen and paying said costs from the appropriated school department budget would adversely impact the delivery of education in North Andover.

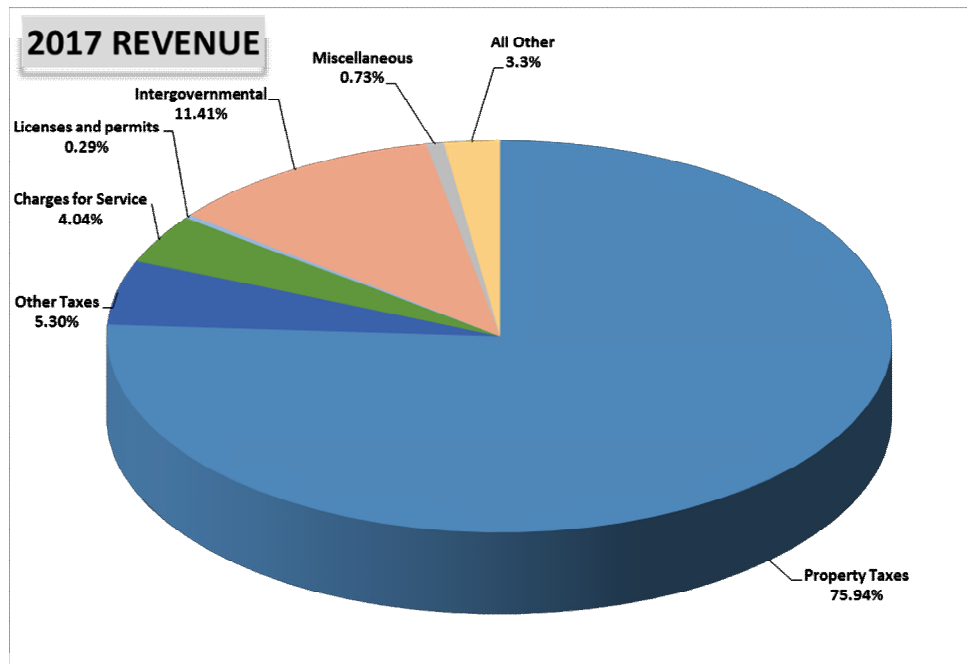
 3. In order to ensure that the Fund is not depleted, and that proper financial planning is undertaken to reduce the likelihood of future unforeseen costs, the aggregate amount of transfers from the Fund in any two consecutive fiscal years is \$400,000. The Town shall formulate a plan to restore the Fund to the identified TFC when the balance of the Fund drops below the TFF. Said funding shall come from Free Cash or other Reserves.

Note: Transfers from this Fund will require action at a Special Town Meeting.

Overall Summary of the Budget

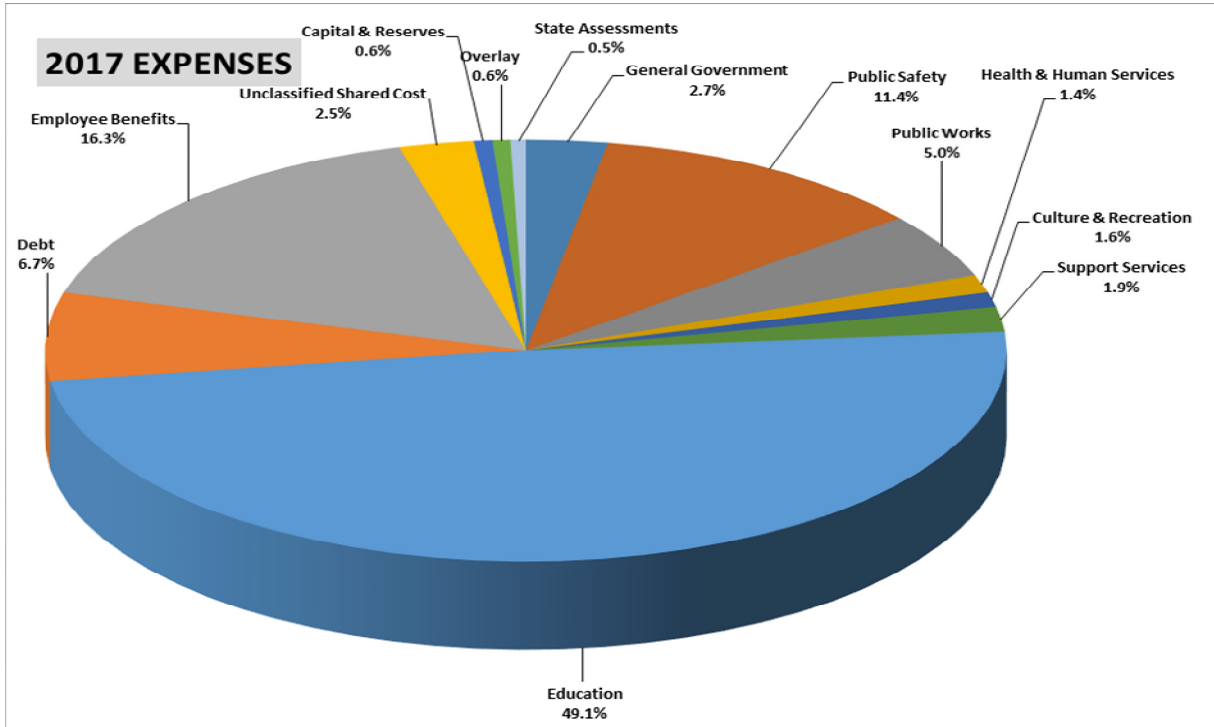
The FY17 Budget for all general Town services and facilities totals \$102 million. The total includes \$46.9 million in the General Fund budget to support traditional municipal services such as General Government, Police, Fire, Public Works, Library and Non-appropriated expenses (i.e. Cherry Sheet Assessments and Assessors Overlay Provisions); \$10 million to support the cost of the Water, Sewer and Stevens Estate Enterprise Fund budgets and \$45 million to support the School Department and regional Vocational Schools.

GENERAL FUND REVENUE



	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Adopted
Property Taxes	\$ 60,620,515	\$ 62,596,596	\$ 64,270,443	\$ 66,672,379	\$ 69,929,610
Tax Title	\$ 174,857	\$ 608,698	\$ 348,217	\$ 739,443	\$ -
Other Taxes	\$ 4,690,699	\$ 5,480,517	\$ 5,152,880	\$ 5,965,663	\$ 4,881,000
Charges for Service	\$ 3,732,173	\$ 3,695,838	\$ 3,980,697	\$ 4,614,883	\$ 3,717,482
Licenses and permits	\$ 256,074	\$ 272,553	\$ 269,881	\$ 292,969	\$ 268,100
Intergovernmental - State Aid	\$ 9,488,463	\$ 9,848,056	\$ 10,036,762	\$ 10,274,315	\$ 10,505,086
Miscellaneous Revenue	\$ 1,241,695	\$ 1,145,078	\$ 1,242,524	\$ 1,072,857	\$ 669,129
All Other Sources	\$ 2,644,006	\$ 1,543,374	\$ 2,414,648	\$ 2,987,151	\$ 2,113,182
	<u>\$ 82,848,482</u>	<u>\$ 85,190,708</u>	<u>\$ 87,716,051</u>	<u>\$ 92,619,660</u>	<u>\$ 92,083,589</u>

GENERAL FUND EXPENDITURES



	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Adopted
General Government	\$ 2,143,756	\$ 2,083,600	\$ 2,196,697	\$ 2,321,801	\$ 2,522,509
Public Safety	\$ 9,134,674	\$ 9,376,598	\$ 9,597,868	\$ 10,215,493	\$ 10,541,191
Public Works	\$ 4,477,316	\$ 4,609,468	\$ 5,308,600	\$ 4,384,481	\$ 4,619,991
Health & Human Services	\$ 985,720	\$ 1,083,822	\$ 1,193,731	\$ 1,136,109	\$ 1,245,377
Culture & Recreation	\$ 847,254	\$ 861,428	\$ 894,863	\$ 940,176	\$ 1,024,035
Support Services	\$ 1,103,047	\$ 1,342,538	\$ 1,664,015	\$ 1,546,166	\$ 1,760,354
Education	\$ 38,746,920	\$ 40,102,437	\$ 43,081,089	\$ 43,762,114	\$ 45,226,141
Debt	\$ 6,333,589	\$ 6,324,465	\$ 5,564,844	\$ 5,817,313	\$ 6,208,389
Employee Benefits	\$ 13,429,894	\$ 13,989,672	\$ 12,357,921	\$ 13,055,561	\$ 15,017,202
Unclassified Shared Cost	\$ 1,299,057	\$ 1,353,175	\$ 1,358,944	\$ 2,021,291	\$ 2,319,465
Capital & Reserves	\$ 1,128,103	\$ -	\$ 1,063,108	\$ 1,027,412	\$ 574,817
Overlay	\$ 629,707	\$ 564,134	\$ 530,315	\$ 557,130	\$ 550,000
State Assessments	\$ 1,788,615	\$ 1,254,988	\$ 436,946	\$ 397,195	\$ 474,118
	\$ 82,047,654	\$ 82,946,325	\$ 85,248,938	\$ 87,182,242.59	\$ 92,083,589

General Fund

The General Fund is the basic operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund (i.e. Water, Sewer & Stevens Estate Enterprise Funds). The total General Fund operating budget is \$90,599,454 which is the Town appropriation of \$102,057,361 less Overlay Provisions (\$550,000), Cherry Sheet Assessments (\$474,118), Transfer to Stabilization (\$60,017), Transfer to Capital Stabilization (\$350,000), Transfer to OPEB (\$50,000), Salary Reserve (\$408,348) and less the Water, Sewer and Stevens Estate Enterprise Funds of (\$9,973,772).

General Fund Budget The general fund operating budget in FY17 totals \$91.5 million (exclusive of Free Cash for Reserves), which represents a 3.1% increase over FY16.

Revenue: The Town receives 75.9% of its revenue from Property taxation; this is its largest source of funds. This category has an increase of \$2.2 million or 3.3%. The Town also receives revenue in State Aid of \$10.5 million or 11.4%. The Town also receives \$9.5 million or 10.36% of its revenue in local receipts (fees, permits, etc.).

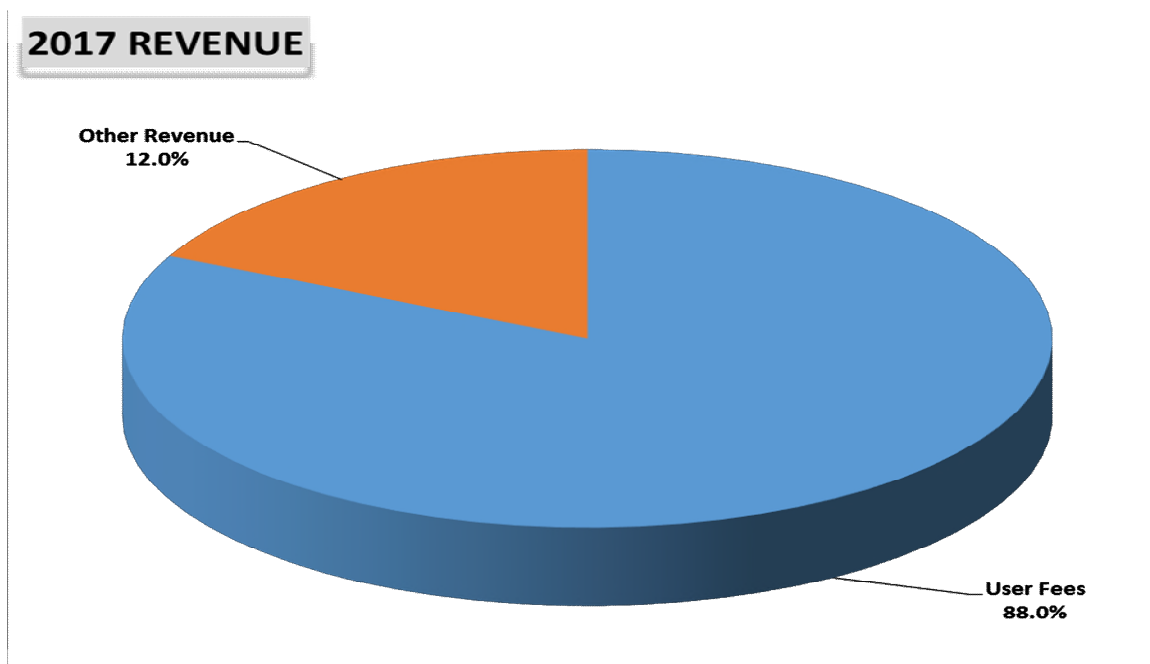
Expenditures: The School department operating budget at \$45,226,141 reflects an increase of \$1.4 million or 3.7% and represents 67.5% of the total Town appropriation. The community needs to monitor the outcome of the ongoing discussions pertaining to education reform funding. If the State does not continue to aggressively fund this mandate the Town will be forced to pickup the shortfall in State funding. With education costs consuming over 67.5% of the operating budget these increases, without increased State assistance, will continue to have a negative impact in other funding categories.

Capital Budget and Debt Service. The FY17 Budget includes \$6.7 million in debt service funding as required under the ongoing Town-wide Capital Improvement Program (CIP) (for further details, see discussion in the CIP section of this budget document). The Town will continue to make an investment in this area to avoid having to incur higher costs in the future and therefore reduce the number of annual capital projects to be undertaken. The current and projected economic climate may cause the Town to seek to control the cost of debt services as a method of keeping the Town's budget in balance; in this case the total.

Enterprise Funds- Water, Sewer and Stevens Estate

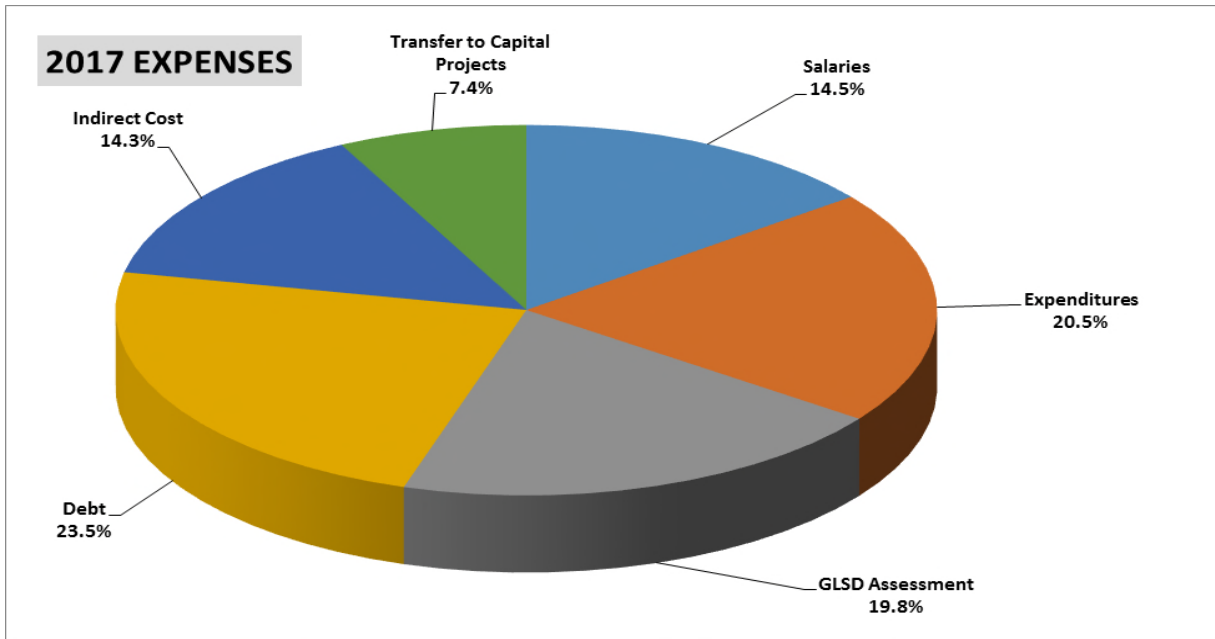
Enterprise Funds: The Town has adopted three enterprise funds, Water, Sewer and Stevens Estate (Conference Center). It is the Town's policy that Enterprise Funds be self-sustaining, this requires that revenues from operations are sufficient to fund all direct and indirect expenditures of the fund. The Selectmen are charged with setting water and sewer rates sufficient to cover expenditures. The conference center is dependent on sales and related economic conditions. The total appropriation for FY17 is \$10,116,934.

ENTERPRISE FUND REVENUE



	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Adopted
Sewer User Fees	\$ 4,501,561	\$ 4,601,892	\$ 4,606,198	\$ 4,453,499	\$ 4,111,707
Sewer Other	\$ 445,783	\$ 405,160	\$ 499,748	\$ 702,428	\$ 516,705
Water User Fees	\$ 4,694,416	\$ 4,547,027	\$ 4,697,959	\$ 4,875,237	\$ 4,184,206
Water other	\$ 793,890	\$ 748,643	\$ 775,635	\$ 993,319	\$ 799,813
Stevens Estate Fees	\$ 335,372	\$ 337,071	\$ 482,778	\$ 524,918	\$ 475,702
Stevens Estate Other	\$ 399	\$ 480	\$ 1,017	\$ 1,941	\$ -
	<u>\$ 10,771,420</u>	<u>\$ 10,640,273</u>	<u>\$ 11,063,335</u>	<u>\$ 11,551,343</u>	<u>\$ 10,088,134</u>

ENTERPRISE FUND EXPENDITURES



	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Adopted
Salaries	\$ 1,246,827	\$ 1,352,263	\$ 1,478,014	\$ 1,351,568	\$ 1,466,100
Expenditures	\$ 1,691,443	\$ 1,515,343	\$ 1,658,361	\$ 1,761,102	\$ 2,063,269
GLSD Assessment	\$ 1,325,429	\$ 1,322,544	\$ 1,543,296	\$ 1,490,042	\$ 2,000,000
Debt	\$ 4,197,386	\$ 3,673,432	\$ 3,657,489	\$ 2,805,776	\$ 2,367,103
Indirect Cost	\$ 1,323,775	\$ 1,338,726	\$ 1,372,195	\$ 1,406,499	\$ 1,441,661
Transfer to Capital Projects	\$ 103,357	\$ -	\$ 600,000	\$ 715,000	\$ 750,000
	\$ 9,888,217	\$ 9,202,307	\$ 10,309,354	\$ 9,529,986	\$ 10,088,134



Lake Cochichewick
Photo courtesy of Brenda Tamasz

Financial Plan General Fund

Overview

General Fund Budget Summary

A key component of the budget development process is the identification of revenue assumptions and projections to determine the range of choices the Town Manager can make in allocating resources. Because of the critical nature of this information the Town Meeting voted to establish in May 2004 the Revenue/ Fixed Costs Review Committee whose main purpose is to advise the Town Manager and other Town officials on projected revenues, other financial sources, and fixed costs to facilitate the annual budget development process. The committee shall meet within thirty days but no later than December 1st of the issuance of the Board of Selectmen's budget policy statement, and shall report to the Town Manager with their initial revenue projections within 45 days of their first meeting. The committee may continue to meet after the issuance of the report for the purpose of providing continued advice. For Fiscal 2017 Budget cycle the committee will hold its initial meeting the week of October 19, 2015 and will issue its report to the Town Manager by December 15, 2015.

The Town does not have the statutory ability to change rates and formulas for many of its revenue sources. The rates and/or formulas for property tax and certain fines, for example, are set by the State. The Town may set user fees, permits and licenses. In 1980, the voters approved a statewide property tax initiative, Proposition 2 ½. Prop 2 ½ established, among several restrictions, a "2 ½ percent cap" on property tax increases in all local taxing districts in the State.

Town revenue is divided into six basic categories recommended by the National Committee on Governmental Accounting. The categories are taxes, charges for services, licenses and permits, fines and forfeits, intergovernmental revenue, and miscellaneous revenue. The following is a discussion of the Town's projections for those categories in FY17.

TAXES

Real and Personal Property Tax

The primary sources of revenue for municipalities in the Commonwealth are the real property tax and personal property tax. For purposes of taxation, real property includes land and buildings and improvements erected or affixed to land and personal property consists of stock, inventory, furniture, fixtures and machinery. The Town's Board of Assessors determines the value of all taxable land,

which is revalued at fair market value every three years and updated every year. FY16 is the next scheduled revaluation year for the Town. The Town's Board of Assessors is also responsible for determining the value of personal property through an annual review process.

Major Changes:

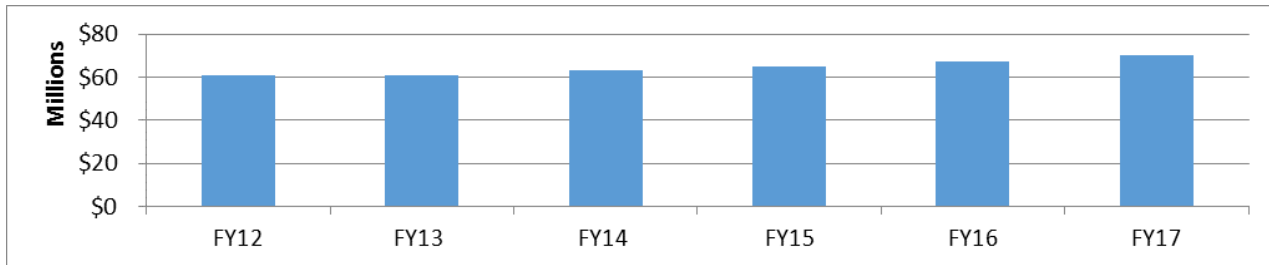
There are three major factors that influence the amount of revenue generated by the real and personal property tax:

1. Automatic 2.5% increase – Each year, a community's levy limit automatically increases by 2.5% over the previous year's levy limit.
2. New Growth – A community is able to increase its tax levy limit each year to reflect new growth in the tax base. Assessors are required to submit information on growth in the tax base for approval by the Department of Revenue as part of the tax rate setting process. In FY17, based on current trends new growth is estimated to be \$600,000.
3. Overrides/Exclusions – A community can permanently increase its levy limit by successfully voting an override. Debt and Capital exclusions are temporary increases in a communities levy limit for the life of the project or debt service. Only a debt or capital exclusion can cause the tax levy to exceed the levy ceiling In FY17 the debt exclusion is estimated to be \$1,922,516. The levy ceiling of a Town is 2.5% of valuation of the community. The ceiling for the Town in FY16 was \$111,475,912. As the following shows, the Town is substantially under its levy ceiling.

TAX LEVY BREAKDOWN					
	Actual FY 2013	Actual FY 2014	Actual FY 2015	Recap FY 2016	Projected FY 2017
Tax Limit	57,613,671	59,689,214	61,955,069	64,297,286.70	65,830,264
Add 2.5%	1,440,342	1,492,230	1,548,877	1,607,432	1,645,757
Add New Growth	635,201	773,625	793,341	630,615	600,000
Add Override	-	-	-	-	-
Levy Limit	59,689,214	61,955,069	64,297,286.70	66,535,334	68,076,021
+ Debt Exclusion(s)	1,840,566	1,810,971	1,774,775	1,936,388	1,922,516
- SBA Reimb. - EXCLUDED DEBT	-	-	-	-	-
-Debt Exclusion Adjustment	-	-	-	-	-
- SBA interest reimb - High School	(68,926)	(68,926)	(68,926)	(68,926)	(68,926)
- Bond Premium	-	-	-	-	-
Sub total Excluded Debt	1,771,640	1,742,044	1,705,849	1,867,461	1,853,589
Max Levy	61,460,854	63,697,113	66,003,136	68,402,795	69,929,610
Actual Levy	61,434,579	63,441,828	64,270,443	67,111,167	
Excess Levy	26,275	255,285	1,732,693	1,291,628	
Levy Increase \$	810,329	2,236,260	2,306,022	2,399,660	1,526,815
Levy Increase %	1.34%	3.64%	3.62%	3.64%	2.23%
Levy Limit Increase \$	2,075,543	2,265,855	2,342,218	2,238,047	1,540,687
Levy Limit Increase %	3.60%	3.80%	3.78%	3.48%	2.32%
Net Debt Exclusion	1,771,640	1,742,044	1,705,849	1,867,461	1,853,589

Year to Year Comparison	FY12	FY13	FY14	FY15	FY16	FY17	% Change FY16 - FY17
Tax Levy (per RECAP)	\$60,650,525	\$60,795,372	\$63,205,294	\$64,618,660	\$67,411,823	\$69,929,610	* 3.7%

*Estimated



Motor Vehicle Excise Tax Receipts – State law (Proposition 2½) sets the motor vehicle excise rate at \$25 per \$1000 valuation. The Town collects these monies based on data provided by the Massachusetts Registry of Motor Vehicles. The Registry, using a statutory formula based on a manufacturer's list price and year of manufacture, determines valuations. The Town in which a vehicle is principally garaged at the time of registration collects the motor vehicle excise tax.

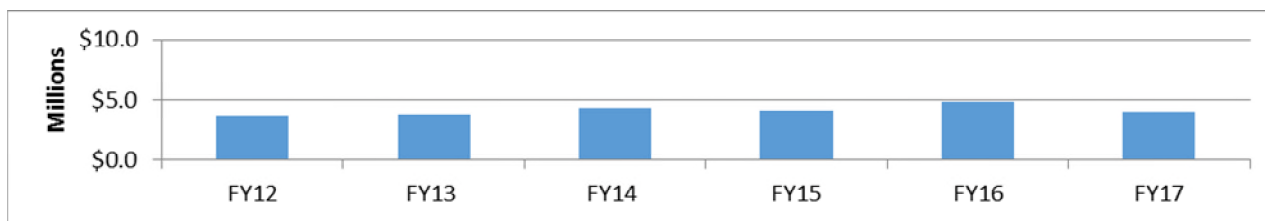
In January 1992, the Registry of Motor Vehicles implemented a new computer tracking system that forces auto owners to pay their excise taxes. Those who do not pay will not be allowed to renew registrations and licenses. Cities and towns must notify the Registry of delinquent taxpayers. Although the FY14 actual amount of excise taxes collected were well above the previous five year average, there was a decline in FY15 which lead us to believe this may be an anomaly and therefore, we conservatively budgeted for FY16. A further review based on the most recent five year actual collection average we are recommending a budgetary increase of \$300k in FY17.

Major Changes:

This revenue source has remained relatively level during the past five years with the exception of FY14 which is an indication that residents are retaining vehicles longer than in the previous decade. Due to an apparent change in buying habits, the national economic situation and conservative budgeting practices, we are recommending an increase in FY17, but not to the actual levels of FY15 and FY16.

Year to Year Comparison	FY12	FY13	FY14	FY15	FY16	FY17	% Change FY16 - FY17
Motor Vehicle Excise	\$ 3,750,578	\$ 3,779,369	\$ 4,362,823	\$ 4,107,364	\$ 4,845,757	\$ 4,000,000	* -17.5%

*Estimated



Penalties and Delinquent Interest – This category includes delinquent interest on all taxes and tax title accounts. It also contains demand fees on real and personal property taxes as well as demands and warrants on late motor vehicle excise taxes.

Delinquent Interest and Penalty Charges –The Town receives interest and charges on overdue taxes. Interest rates for overdue real and personal property taxes are 14%, and for tax title accounts, 16%. The interest rate for delinquent excise tax accounts is 12% from the due date. State law dictates the interest rate for taxes, while local bylaw sets water/sewer charges.

If real and personal property taxes are not paid by May 1, in the year of the tax, a demand for payment notice (\$30) is sent to all delinquent taxpayers. Delinquent motor vehicle taxpayers are sent a demand (\$30), a warrant (\$5), and two separate notices from a deputy tax collector (\$9 and \$14). The deputy collector's earnings come solely from delinquent penalty charges in lieu of a salary. Demands are (\$30) and warrants are not issued for delinquent water/sewer service accounts, which are subject to a lien on the real estate tax bill. Once a delinquent real estate account goes into a process of tax title, there are other fees added to the property tax bills. These charges include the cost of recording the redemption (\$75) and demand notices (\$30).

In Lieu of Tax Payments – Many communities, North Andover included, are not able to put all property within its borders to productive, tax generating uses. Federal, state and municipal facilities, hospitals, churches and colleges are examples of uses that are typically exempt from local property tax payments. The Town currently negotiates with one entity for a PILOT payment of \$30,000 per year.

Municipal Lien Certificates – The Town Collector issues a certificate indicating any amount owed on a particular parcel of property to an individual requesting the information within five days of the request. The cost per certificate is \$35 per parcel.

LICENSES AND PERMITS/SUMMARY

Licenses – License revenue arises from the Town’s regulations of certain activities (e.g. selling alcoholic beverages). A person or organization pays a licenses fee to engage in the activity for a specific period. The primary licensing agency in the Town is the Board of Selectmen. All fees are set by one of the three methods: State law, Town-By-Law or Licensing Body.

Permits – Permits are also required when a person or business wants to perform a municipally regulated activity (e.g., building, electrical, or plumbing services). The bulk of the permit revenue is brought in through building permits, collected by the Building Department. All construction and development on the Town must be issued a building permit based on the cost of construction. The Board of Selectmen adopted a revise building inspection permit fee schedule in Fiscal 07.

The most common licenses and permits are briefly described on the following pages. A complex fee schedule is available from the Board of Selectmen or the Building Department

Liquor Licenses – Under Chapter 138 of the General Laws of Massachusetts, the Town is empowered to grant licenses regulating the sale of alcoholic beverages. License fees vary depending upon the type of establishment, closing hours, number of days open, and whether the license is for all alcohol or beer and wine. All licenses issued by the Board of Selectmen, with the exception of special and seasonal liquor licenses, have a maximum fee set by the State statute.

The Town may issue liquor licenses within the limits of the State quota system, which is based on population. Special licenses carry a fee and do not fall under the State cap. Total revenue for special licenses depends on the number and length of events that receive licenses.

Common Victualer – The common victualer licenses allows food to be made and sold on the premises.

Entertainment – Entertainment licenses are issued for live performances, movie theaters, automatic amusement machines, billiard tables, bowling alleys and several other forms of entertainment.

Building Permits – Building permits are issued to qualified individuals and companies to do repairs, alterations, new construction or demolitions in the Town. The cost of permits is based on the estimated cost of the project or by a set fee.

Electrical Permits – Electrical permits are issued to licensed electricians to perform specific electrical work. The cost of the permit is dependent on the number of switches, lights, alarms and other electrical components included in the job.

Plumbing Permits – Plumbing permits are issued to licensed plumbers to install and repair piping for a specific job. The fee is based on the amount and type of work being done.

Weights & Measurers – Weights and Measures permits are issued for scales, gas pumps and other measuring devices.

Town Clerk Licenses & Permits – The Town Clerk issues licenses and permits primarily relating to marriages, births, deaths, business certificates, raffles, passports and dog registrations.

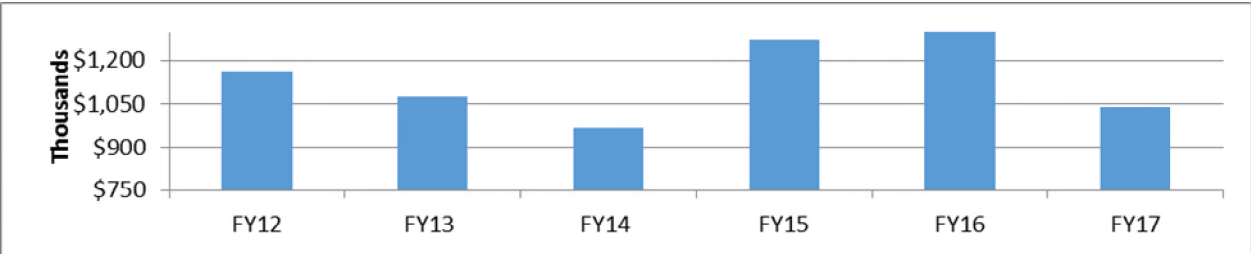
Other Departmental Permits – Other Departments issue various permits including fire permits, fire alarm box permits, firearms, fishing and boating permits.

Major Changes:

The Board of Selectmen adjusted Building Inspection fees based upon an analysis of similar fees in surrounding communities in FY07. At the end of Fy15 and the beginning of Fy16 the Town collected a substantial amount of fees associated with development. These fees were related to several large construction projects and are not indicative of an upward trend in overall construction activity. Therefore, in FY17 we are assuming a budget amount consistent with the five year average in this category.

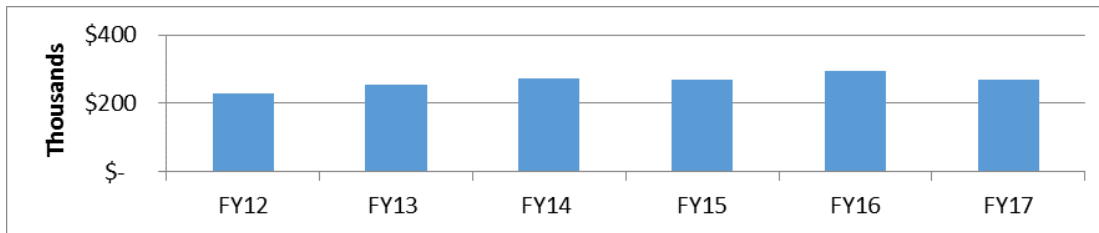
Year to Year Comparison	FY12	FY13	FY14	FY15	FY16	FY17	% Change FY16 - FY17
Fees (Bldg, Plumb, Elec., etc.)	\$ 1,163,413	\$ 1,073,824	\$ 969,597	\$ 1,270,462	\$ 1,843,702	\$ 1,041,800 *	-43.49%

*Estimated



Year to Year Comparison							% Change	
	FY12	FY13	FY14	FY15	FY16	FY17	FY16 - FY17	
Licenses and Permits	\$ 227,644	\$ 256,074	\$ 272,553	\$ 269,881	\$ 292,969	\$ 268,100	*	-8.5%

*Estimated



FINES AND FOREITS

Parking Fines – The collection of outstanding parking fines continues to be an important source of revenue to the Town. The timely collection of fines has been aided by automation, and by State law that violators are prohibited from renewing their driver's license and registrations until all outstanding tickets are paid in full.

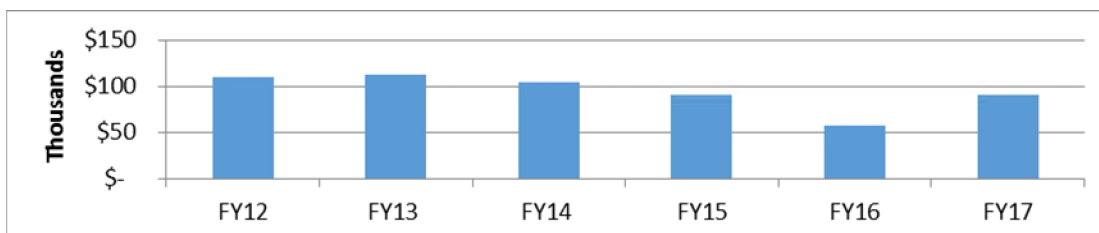
Moving Violations - Non-parking offenses result in moving violation fines. Responding to the community's desires and public safety concerns that mostly focused on speeding violations in local neighborhoods. Among the violations included in this category are speeding, passing in the wrong lane, and failing to stop at the traffic signal. These fines, collected by the District Court, are distributed to the Town on a monthly basis

Major Changes:

The Municipal Relief Package passed by the Legislature in 2003 increased the amount of fines that may be collected for violations of any regulations, orders, ordinances or bylaws regulating parking of motor vehicles. Due to the implementation of wireless systems in many businesses False Alarm fines which are included in this category have been on a decline and therefore the FY17 budget estimate reflects that.

Year to Year Comparison							% Change	
	FY12	FY13	FY14	FY15	FY16	FY17	FY16 - FY17	
Parking Fines/Moving Violations	\$ 108,998	\$ 112,917	\$ 103,615	\$ 90,414	\$ 57,038	\$ 90,500	*	58.7%

*Estimated



INTERGOVERNMENTAL REVENUE

Cherry Sheet - State Cherry Sheet revenue funds are primarily intergovernmental revenue. Cherry Sheet revenue consist of direct school aid, local aid and specific reimbursements and distributions such as aid to public libraries, veterans benefits and a number of school related items. For the FY15 budget process, the Town projected no increase of Cherry Sheet revenues based on assumptions offered by the Governor’s Budget. The largest increase in Cherry Sheet revenue in previous years was from Chapter 70 aid which increased 6.5% between FY13 and FY15. The FY16 projection for Cherry Sheet revenue is based on the FY15 adopted State budget. As has been the practice, the FY17 budget estimate is based on the FY16 actual from the adopted State budget.

Every year the Commonwealth sends out to each municipality a “Cherry Sheet”, named for the pink colored paper on which it was originally printed. The Cherry sheet comes in two parts, one listing the State assessments to municipalities for MBTA, Retired Teachers Health Insurance, air pollution control districts and the other state programs; the other section listed the financial aid the Town will receive from the State for funding local programs. Each Cherry Sheet receipt is detailed on the following pages.

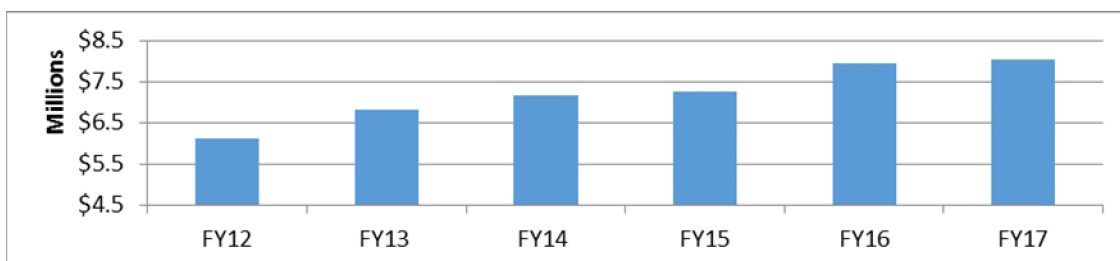
School Aid – Chapter 70 school aid is based on a complex formula that takes into account: (1) statewide average cost per pupil; (2) local district pupil counts, with weighing factors to reflect varying costs among programs such as special education or vocational education, and (3) municipal fiscal “ability to pay” for education, as measured by equalized valuation per capita as a percent of statewide average.

Major Changes:

There has been a long standing proposal to overhaul the foundation budget and develop a new method for measuring municipal ability-to-pay and for determining required local contribution and school aid amounts. To date, no action has been taken regarding this proposal.

Year to Year Comparison	FY12	FY13	FY14	FY15	FY16	FY17	% Change FY16 - FY17
Chapter 70	\$ 6,124,740	\$ 6,808,233	\$ 7,163,024	\$ 7,262,286	\$ 7,921,497	\$ 8,016,217 *	1.2%

*Estimated



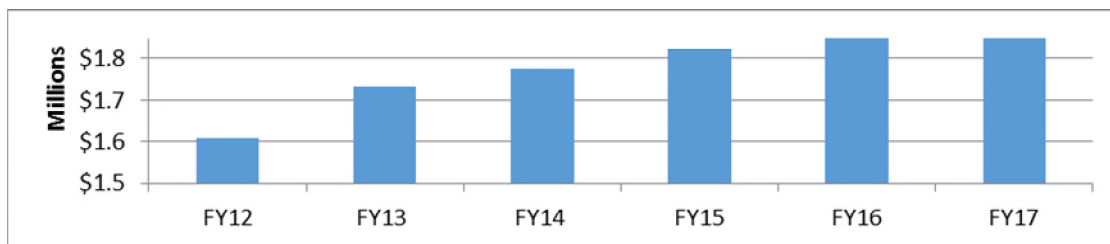
Local Aid – The major non-school state aid items are the Unrestricted Government Aid. These funds are unrestricted and can therefore be used by the municipality for any municipal purpose.

Major Changes:

Starting in FY2010 the Governor combined these two aid accounts (Local Aid and Additional Assistance) into one category called Unrestricted General Government Aid.

Year to Year Comparison	FY12	FY13	FY14	FY15	FY16	FY17	% Change FY16 - FY17
Unrestricted General Gvt Aid	\$ 1,608,071	\$ 1,733,403	\$ 1,774,377	\$ 1,823,582	\$ 1,889,233	\$ 1,970,470 *	4.3%

*Estimated



Veterans Benefits – Under Chapter 115, Section 6, municipalities receive a seventy-five percent State reimbursement on the total expenditures made on veterans’ benefits.

Charter Tuition Reimbursement – To reimburse sending districts for a student tuition and the capital facilities tuition component they pay to Commonwealth charter schools. The capital facilities tuition component includes interest and principal payments, for the construction, renovation, purchase, acquisition, or improvement of school building and land.

Exemptions: Veterans, Blind Person, Surviving Spouse - To reimburse the municipality for property tax exemptions granted to qualifying veterans, blind person, surviving spouse and elder person.

State Owned Land – To reimburse the municipality for foregone tax revenue due to certain types of tax exempt state-owned land.

MISCELLANEOUS REVENUE

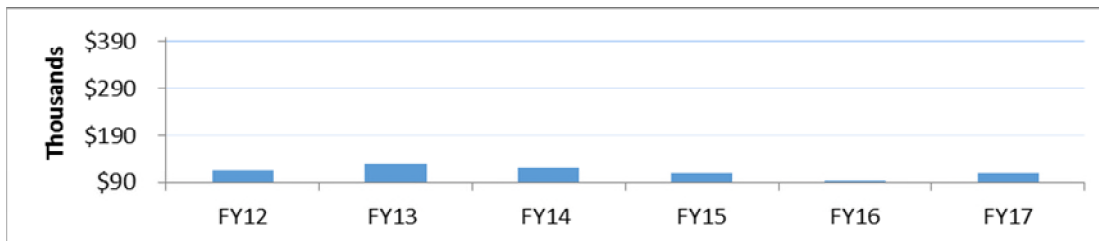
Interest on Investments – Under Chapter 44 Section 55B of the Massachusetts General Laws, all monies held in the name of the Town which are not required to be kept liquid for purpose of distribution shall be invested in such a manner as to require the payment of interest on the money at the highest possible rate reasonably available. The investment decision must take into account safety, liquidity and yield.

Major Changes:

Interest rates on investments declined through FY12 and have shown only a minimum increase since then. In fact, FY15 actual collections in this category declined from FY14 largely due to level rates of return and more efficient project management resulting in a lower average daily cash flow. The FY17 budget estimate is based on a continued assumption that there will be low rates of return.

Year to Year Comparison	FY12	FY13	FY14	FY15	FY16	FY17	% Change FY16 - FY17
Investment Income	\$ 118,449	\$ 130,403	\$ 121,627	\$ 110,398	\$ 93,173	\$ 110,000 *	18.1%

*Estimated

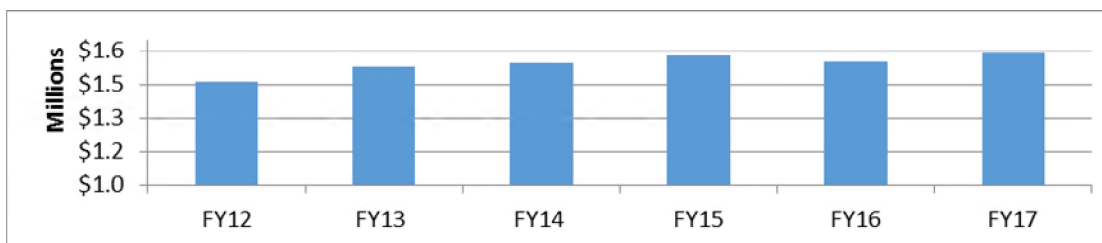


INTERGOVERNMENTAL / INTERFUND TRANSFERS

Water, Sewer, Stevens Estate, and GLSD Transfers - The Water, Sewer and Stevens Estate funds, financed by water and sewer usage charges and event fees from the Stevens Estate, provide reimbursement for direct and indirect costs associated with a variety of the Town services, including those offered by Technology, Accounting, Town Manager, Treasurer /Collector, Personnel, Town Counsel, and Town Clerk. Additionally, enterprise funds provide reimbursement for employee benefits and maintenance of the Water, Sewer and Stevens Estate accounting and billing systems along with property/casualty insurance and workers compensation policies. These transfers are calculated by applying a percentage of the time spent by the relevant cost center to the enterprise fund activity. The Greater Lawrence Sanitary District (GLSD) annually makes a PILOT payment which is transferred to the General Fund to offset public safety costs.

Year to Year Comparison	FY12	FY13	FY14	FY15	FY16	FY17	% Change FY16 - FY17
Interfund Transfers	\$ 1,463,962	\$ 1,526,297	\$ 1,543,374	\$ 1,576,648	\$ 1,551,391	\$ 1,588,365 *	2.4%

*Estimated



Financial Plan Enterprise Funds

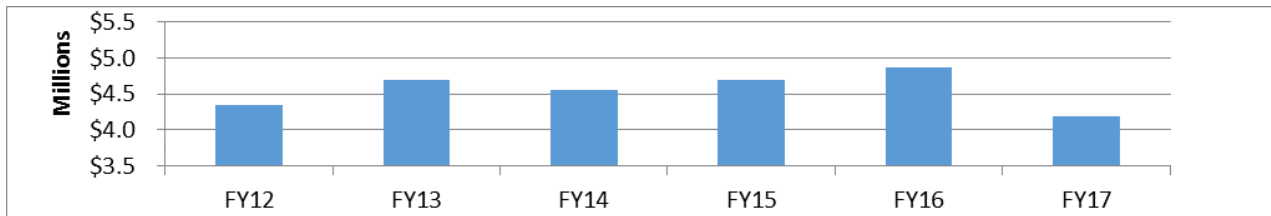
Overview

Water and Sewer Enterprise Fund Budget Summary

The Water and Sewer Enterprise Funds are Town funds separated from others and dedicated to tracking and reporting all activities associated with the operations and maintenance of the water distribution and wastewater collection systems in the Town. Enterprise funds by State law are required under Chapter 44 Section 53F1/2 to be self-sustaining; this requires that the revenues from the operations are sufficient to fund all direct and indirect expenditures of the fund. For FY17, the sources and uses of the funds in the Water and Sewer Enterprise Fund budgets total \$9.6 million. Water Enterprise Fund revenues derived strictly from user fees total \$5 million and Sewer Enterprise Fund Revenues derived from user fees total \$4.6 million. The chart below shows the breakdown of revenues in the Water and Sewer Enterprise Funds for FY17.

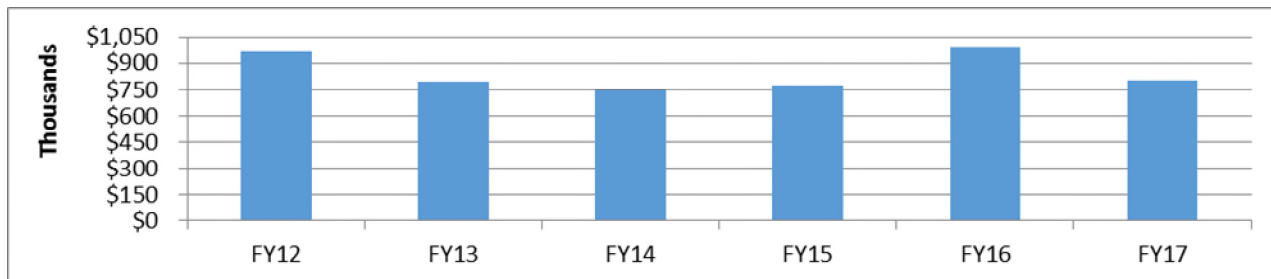
Year to Year Comparison	FY12	FY13	FY14	FY15	FY16	FY17	% Change FY16 - FY17
Water User Fees	\$ 4,344,947	\$ 4,694,416	\$ 4,547,027	\$ 4,697,959	\$ 4,875,237	\$ 4,184,206	* -14.2%

*Estimated

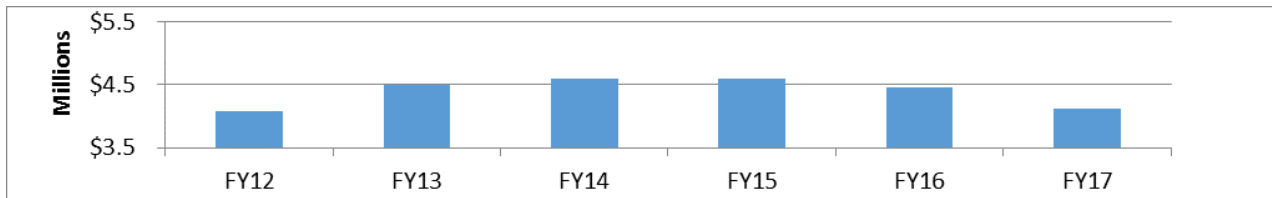


Year to Year Comparison	FY12	FY13	FY14	FY15	FY16	FY17	% Change FY16 - FY17
Water Other Revenue	\$ 967,428	\$ 793,890	\$ 748,643	\$ 775,635	\$ 993,319	\$ 799,813	* -19.5%

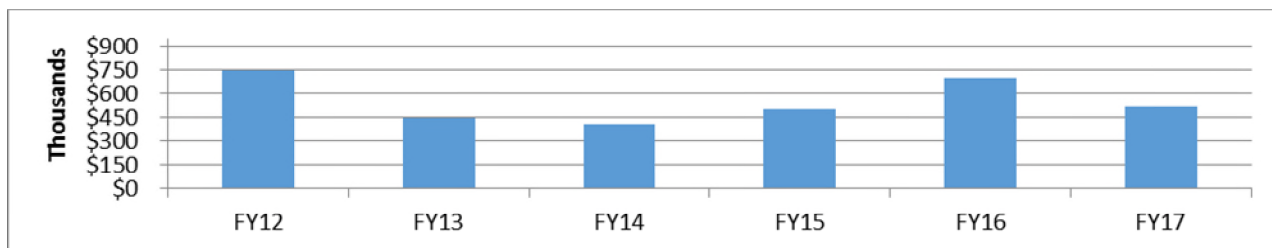
*Estimated



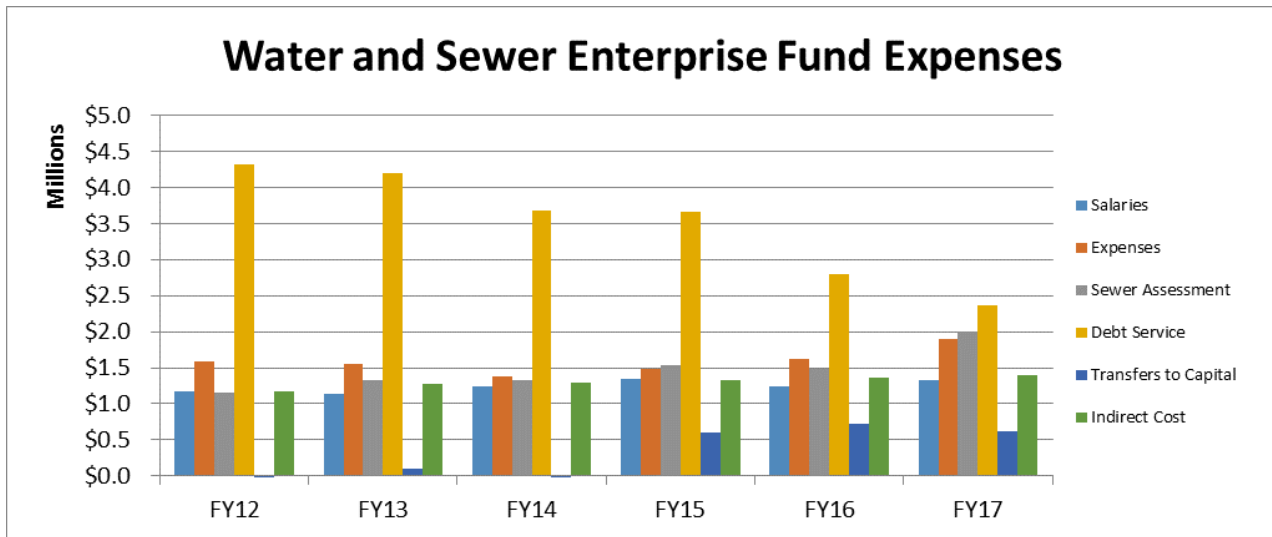
Year to Year Comparison	FY12	FY13	FY14	FY15	FY16	FY17	% Change FY16 - FY17
Sewer User Fees	\$ 4,071,056	\$ 4,501,561	\$ 4,601,892	\$ 4,606,198	\$ 4,453,499	\$ 4,111,707	* -7.7%
*Estimated							



Year to Year Comparison	FY12	FY13	FY14	FY15	FY16	FY17	% Change FY16 - FY17
Sewer Other Revenue	\$ 743,615	\$ 445,783	\$ 405,160	\$ 499,748	\$ 702,428	\$ 516,705	* -26.4%
*Estimated							



Uses of funds in the Water and Sewer Enterprise Fund Budgets are comprised of the following categories: Direct Expenses, Sewer Assessment, Debt Service and other Indirect Costs. For FY17, the main use of funds in the Enterprise Fund Budgets continues to be the Sewer Assessment and the Debt Service, which combined make up \$4,367,103 or 45.3% of the total Enterprise Fund Budgets expense level. The chart below details the uses of the funds in the FY17 budget.



As shown in the chart above, some of the major components of the Enterprise Fund Budgets are the Debt Service, Sewer Assessment and Direct Costs. Included in the direct cost are the salaries and expenses to operate the systems.

The Fiscal 2017 Enterprise Fund Budgets reflects an overall decrease of 1.99% or \$195,972 when compared to the Fiscal 2016 budget, the majority of the decrease is due to the decrease in debt service.

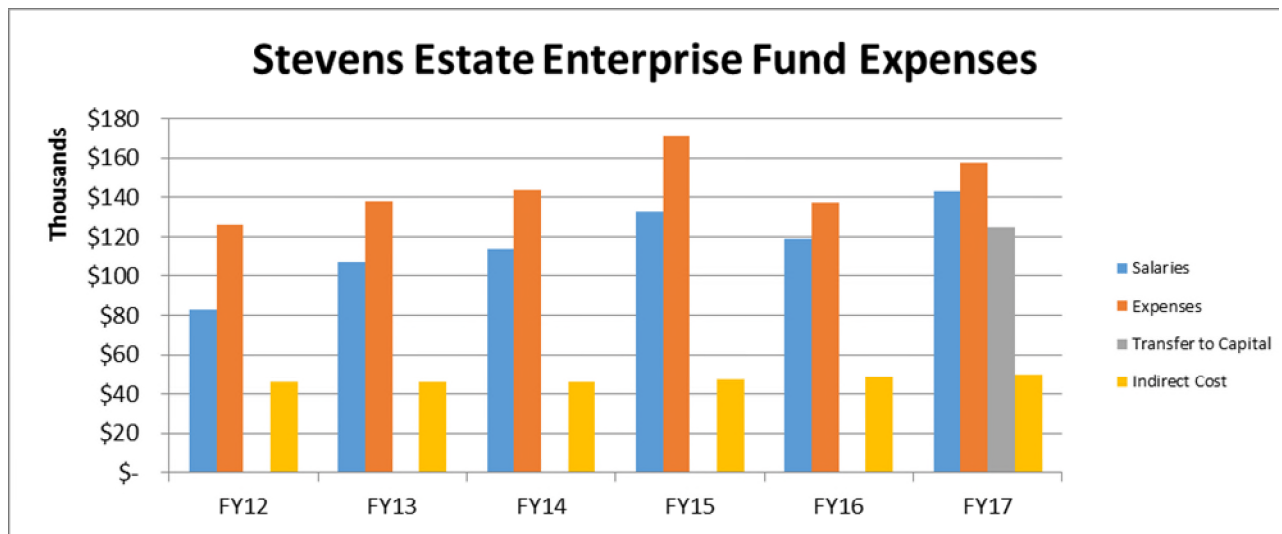
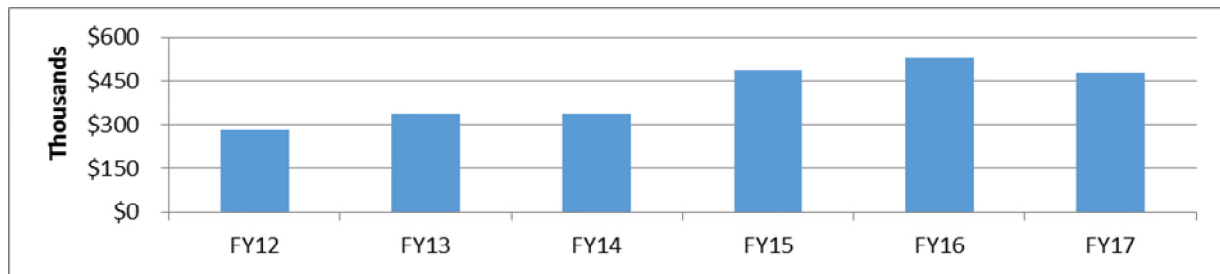
Overview

Stevens Estate Enterprise Fund Summary

The Stevens Estate Enterprise Fund is a Town fund which is separated from others and dedicated to tracking and reporting all activities associated with the operation of a function facility located on the grounds of the Stevens Estate. The Estate was built in 1886 by Moses T. Stevens and acquired in 1995 by the Town of North Andover to protect and preserve the buildings and grounds. Enterprise funds by State law are required to be self-sustaining; this requires that revenues from operations are sufficient to fund all direct and indirect expenditures of the fund. For FY 17, the sources and uses of funds in the Stevens Estate Enterprise Fund Budget total \$475,702 of which \$125,000 is derived from retained earnings to fund capital improvements and the balance is exclusively from event revenue.

Year to Year Comparison							% Change	
	FY12	FY13	FY14	FY15	FY16	FY17	FY16 - FY17	
Stevens Estate Fees	\$ 280,067	\$ 335,770	\$ 337,551	\$ 483,795	\$ 526,859	\$ 475,702	*	-9.7%

*Estimated





*Stevens Estate
Courtesy of Millie Matasso*

GENERAL & ENTERPRISE FUND REVENUE BY YEAR

	Actual FY 2012	Actual FY2013	Actual FY2014	Actual FY2015	Actual FY2016	Adopted FY2017
LOCAL RECEIPTS						
Motor Vehicle Excise	3,750,578	3,779,369	4,362,823	4,107,364	4,845,757	4,000,000
Jet Fuel Tax	25,851	22,728	25,032	15,906	32,451	20,000
Meals Tax	140,591	458,321	478,254	503,717	533,838	470,000
Forest Products Tax	0	0	0	0	0	0
Hotel Room Tax	0	0	82	118	0	0
Farm Animal Excise	0	0	0	0	0	0
Penalty/ Int. on Prop. Tax	144,093	122,438	132,629	189,015	138,145	140,000
Penalty/ Int. on MVX	18,743	17,448	20,086	21,167	24,205	20,000
Penalty/ Int. on Tax Title	52,717	130,000	318,304	144,883	212,134	75,000
Over/ Under	618	633	579	387	963	0
Lien Certificates	42,300	45,500	30,305	35,385	35,320	35,000
Treasurer Demand Fee	77,929	79,875	77,086	103,026	114,037	90,000
Payment in Lieu of Taxes	32,126	34,386	35,336	31,911	28,813	31,000
Host Community Fee (per agreement)	278,028	303,482	296,587	292,473	295,683	296,129
Host Community Solid Waste Fees (per ton)	1,457,121	1,498,234	1,535,096	1,509,549	1,544,007	1,530,682
Ambulance Service	948,455	957,149	958,291	942,044	959,662	960,000
Dog Fees	45,010	43,129	41,250	40,082	38,932	40,000
Town Clerk Fees	26,971	26,131	26,721	28,978	28,989	26,000
Extended Polling Hours	2,184	4,368	0	7,090	2,794	0
Cable Fees	5,132	5,215	5,246	8,794	8,439	5,200
Clerk Violation Fees	1,800	2,700	3,070	4,200	2,075	3,000
Passports	19,650	19,480	20,875	19,440	19,625	20,000
Clerk Application Fees	300	100	100	100	925	100
Conservation Fees	491	795	593	634	927	500
Planning Board Filing Fees	37,465	18,349	7,573	38,782	58,227	18,000
Police Fee's	2,625	3,902	5,102	7,320	4,028	5,000
Building Inspection Fees	816,364	657,992	634,903	832,529	1,314,053	700,000
Plumbing Inspection Fees	62,555	104,406	62,485	84,942	131,673	70,000
Electrical Inspection Fees	90,891	141,113	94,360	148,698	183,638	100,000
Weights/Measures	3,274	3,912	5,633	4,512	4,878	4,000
Recycling Fees	48,701	42,232	61,686	44,361	44,499	50,000
Medicaid Reimbursement	211,852	207,334	205,916	224,188	232,028	160,000
School Dept. Miscellaneous	560	420	0	6,522	3,214	0
Library Fines	7,345	2,186	2,056	2,449	2,314	0
Bathing Beach Receipts	37,273	(6,214)	24,882	25,483	33,170	25,000
Rental Income	12,220	10,970	12,050	11,460	9,829	7,900
Cell Tower Lease	84,554	90,092	95,978	112,513	72,876	85,000
Misc. Dept Revenue				0	0	0
Assessor	1,761	1,633	1,448	1,331	2,528	0
Treasurer Collector	20,135	5,378	37,688	24,017	3,042	0
Town Manager	863	2,422	0	0	2,934	0
Town Clerk	0	0	250	400	1,092	0
Police	3,304	632	0	0	4,660	0
Fire	19	2,280	0	0	57	0
Building Inspection	64	0	0	0	2,800	0
Community Development	775	0	0	0	0	0
Public Works	578	514	0	0	1,476	0
Health	0	0	0	0	0	0
Veterans	0	0	0	0	0	0
Library	389	4	0	0	58	0

GENERAL & ENTERPRISE FUND REVENUE BY YEAR						
	Actual FY 2012	Actual FY2013	Actual FY2014	Actual FY2015	Actual FY2016	Adopted FY2017
Appeals Board Receipts	2,000	31,750	2,200	1,700	2,050	2,000
Police 10% Admin. Fee	35,736	41,859	37,891	40,181	45,202	38,200
Police Misc. Revenue	0	0	0	0	0	0
Fire Misc Revenue	0	0	0	0	0	0
Building Department Other Revenue	0	0	0	0	0	0
Fire Alarm Box Permit Fees	21,180	21,400	21,465	22,400	0	22,000
Health Dept Misc Revenue	0	0	0	0	0	0
Civil Defense Misc. Revenue	0	0	0	0	0	0
Boxford Veterans Reimbursements	11,707	12,138	17,411	0	37,118	17,400
Liquor License	95,350	98,300	95,275	100,150	105,175	100,000
Other Alcohol License	2,200	3,100	3,700	4,225	7,375	4,200
Food License	3,300	6,675	4,750	4,050	3,775	4,000
Miscellaneous Licenses	9,950	6,175	11,430	10,200	12,775	10,200
License to Carry Firearms	5,213	7,413	6,800	4,200	5,975	4,200
Fire Permits	38,712	42,883	47,345	44,123	51,640	44,000
Gas Permits	19,499	26,375	32,881	31,762	42,150	31,000
Fishing & Boating License	4,845	4,820	5,835	5,615	7,280	5,000
Burial Permits	3,950	3,550	3,858	4,500	3,925	4,500
Health Permits	44,626	56,783	60,680	61,057	52,899	61,000
Parking Fines	19,748	21,312	14,110	15,696	13,405	15,500
Court Fines	84,150	84,355	84,605	74,668	39,358	74,500
False Alarm Fine	5,100	7,250	4,900	50	4,275	500
Interest- General	118,418	130,403	121,627	110,398	93,173	110,000
Misc Non-Recurring						
FEMA	2,212	261,183	4,694	0	294,310	0
Hopkinton Bill	13,197	466	42,665	41,148	5,242	0
Insurance Reimb	2,435	69,051	2,433	40,323	32,176	0
Surplus Vehicle Auction	36,825	0	9,749	0	0	0
Abandon Property Payment	0	12,916	11,527	154,950	0	0
Medicare Part D	105,558	89,922	84,518	6,830	0	0
Bond Premium	41,359	24,215	143,149	291,987	73,055	0
Wheelabrator Settlement	227,954	0	0	0	0	0
Court Restitution	12,600	0	0	0	0	0
08 Ice Storm	27,896	0	0	0	0	0
2012 One Time Aid	125,332	0	0	0	0	0
State Share 2010 Flood Relief	12,670	0	0	0	0	0
Hurricane Irene Relief	0	6,469	0	0	0	0
Prior year Revenue	14,011	5,500	93,464	0	0	0
Prudential Demualization	105,866	0	0	0	2,376	0
Legal Fee Reimb - Foreclosure	0	0	4,668	0	0	0
IRS Refunds	0	3,340	0	0	0	0
Hazardous Waste Reimb (Dow)					30,869	0
Free Cash	0	1,117,710	0	838,000	1,435,760	524,817
TOTAL LOCAL RECEIPTS	9,767,852	11,038,350	10,593,985	11,483,982	13,382,132	10,060,528
PROPERTY TAXES	60,164,885	60,795,372	63,205,294	64,618,660	67,411,823	69,929,610
STATE AID	8,558,726	9,488,463	9,848,056	10,036,762	10,274,315	10,505,086
OTHER FINANCING SOURCES	1,463,962	1,526,297	1,543,374	1,576,648	1,551,391	1,588,365
TOTAL GENERAL FUND REVENUES	79,955,424	82,848,482	85,190,708	87,716,051	92,619,660	92,083,589
Water & Sewer Enterprise Funds			0			
User Charges	8,416,004	9,195,977	9,148,919	9,304,158	9,328,736	8,295,913
Other Fees	1,711,043	1,239,673	1,153,803	1,275,382	1,695,747	1,316,518
Stevens Estate Enterprise Fund						
Event Fees	280,067	335,770	337,551	483,795	526,859	475,702
TOTAL REVENUES GENERAL & ENTERPRISE FUNDS	90,362,539	93,619,902	95,830,982	98,779,386	104,171,003	102,171,723

GENERAL & ENTERPRISE FUND EXPENDITURES BY YEAR
SUMMARY OF EXPENDITURE CHANGES

	Actual FY 2012	Actual FY 2013	Actual FY 2014	Actual FY 2015	Actual FY 2016	Adopted FY 2017
GENERAL GOVERNMENT						
Town Moderator	270	662	500	500	750	850
Town Manager/Selectmen	294,997	311,871	366,591	337,667	330,102	347,265
Assistant Town Manager	47,515	48,953	0	0	0	0
Human Resources	76,390	78,789	83,552	144,495	166,985	169,348
Town Accountant	205,504	220,218	226,285	233,462	235,437	191,785
Finance Committee	326	326	409	429	600	795
Treasurer/Collector	282,746	298,246	300,033	307,308	348,765	337,652
Assessor	303,627	311,052	307,872	312,672	321,795	331,998
Legal	115,134	94,432	100,049	89,340	102,939	165,000
Town Clerk	274,697	337,890	262,269	306,990	307,422	343,012
Community Development	197,097	212,752	200,888	260,049	297,643	299,281
Planning	107,229	108,091	108,925	59,027	74,075	164,834
Conservation	81,413	85,784	89,236	114,361	118,555	122,408
Board of Appeals	32,750	34,689	36,991	30,399	16,732	17,190
General Gov't Salary Reserve	0	0	0	0	0	31,091
Total General Government	2,019,696	2,143,756	2,083,600	2,196,697	2,321,801	2,522,509
PUBLIC SAFETY						
Police	4,057,451	4,269,982	4,239,883	4,391,448	4,774,803	5,032,512
Fire	4,331,697	4,599,502	4,640,688	4,865,008	5,062,925	5,154,423
Public Safety Reserve	0	0	208,714	27,048	49,589	17,627
Building Inspection	228,714	245,108	256,912	273,496	289,526	295,058
Emergency Management	20,186	20,083	30,400	40,868	38,649	41,571
Total Public Safety	8,638,048	9,134,674	9,376,598	9,597,868	10,215,493	10,541,191
PUBLIC WORKS						
Administration	398,505	394,502	389,250	426,834	438,212	447,827
Streets & Sidewalks	797,071	729,945	871,231	823,435	829,747	944,073
Solid Waste/Recycling	1,215,128	1,220,358	1,139,097	1,208,734	1,300,808	1,330,499
Vehicle Maintenance	236,139	252,825	354,089	357,192	386,538	405,478
Structures & Grounds	521,853	530,391	522,930	545,795	568,968	587,920
Public Works Salary Reserve	0	0	0	0	0	13,694
Snow & Ice Removal	626,534	1,349,295	1,332,871	1,946,609	860,209	890,500
Total Public Works	3,795,230	4,477,316	4,609,468	5,308,600	4,384,481	4,619,991
HEALTH & HUMAN SERVICES						
Health	195,342	191,254	201,945	205,529	214,787	227,807
Elder Services	232,074	237,845	252,233	257,240	263,440	268,864
Youth Services	242,682	234,077	297,423	341,832	301,493	321,860
Veterans Services	321,837	322,544	332,222	389,130	356,389	416,340
Health & Human Service Salary Reserve	0	0	0	0	0	10,507
Total Health & Human Services	991,934	985,720	1,083,822	1,193,731	1,136,109	1,245,377

**GENERAL & ENTERPRISE FUND EXPENDITURES BY YEAR
SUMMARY OF EXPENDITURE CHANGES**

	Actual FY 2012	Actual FY 2013	Actual FY 2014	Actual FY 2015	Actual FY 2016	Adopted FY 2017
CULTURE & RECREATION						
Stevens Library	827,774	847,254	861,428	894,863	940,176	1,011,030
Festival Committee	0	0	0	0	0	0
Culture & Recresation Salary Reserve	0	0	0	0	0	13,005
Total Culture & Recreation	827,774	847,254	861,428	894,863	940,176	1,024,035
SUPPORT SERVICES						
Outside Auditing	55,500	56,080	57,580	58,580	50,321	55,000
Admin Support	48,491	48,837	49,119	49,699	54,080	131,686
Information Technology	909,512	906,694	999,620	1,260,589	1,137,533	1,247,798
Facility Management	74,938	91,436	236,220	295,147	304,231	312,303
Support Services Salary Reserve	0	0	0	0	0	13,567
Total Support Services	1,088,441	1,103,047	1,342,538	1,664,015	1,546,166	1,760,354
EDUCATION						
Education	36,981,430	38,494,272	39,861,676	41,848,445	43,762,114	45,226,141
All Day Kindergarten	0	0	0	680,000	0	0
Special Education Reserve	0	0	0	175,000	0	0
Regional School Assessment	243,954	251,748	240,750	377,644	484,178	594,960
School Building	898	900	0	0	0	0
Total Education	37,226,282	38,746,920	40,102,426	43,081,089	44,246,292	45,821,101
Debt	7,242,540	6,333,589	6,324,465	5,564,844	5,817,313	6,208,389
Unclassified - Shared Cost	1,055,013	1,008,161	1,051,770	1,065,766	1,148,385	1,304,505
Group Insurance	10,045,567	10,242,904	10,547,403	8,598,806	8,984,148	10,585,011
Liability Insurance	271,059	290,896	301,405	293,178	388,425	420,000
Retirement	3,002,374	3,186,990	3,442,269	3,759,115	4,071,413	4,432,191
Capital	0	0	0	223,500	0	0
Reserves	0	1,088,000	0	838,000	1,027,412	574,817
27th Payroll Reserve	0	0	0	0	0	0
Deficits	32,415	40,103	0	1,608	303	0
Overlay	459,973	629,707	564,134	530,315	557,130	550,000
State Assessments	1,813,511	1,788,615	1,254,988	436,946	397,195	474,118
General Fund Budget	78,509,857	82,047,654	82,946,314	85,248,938	87,182,243	92,083,589
Enterprise Fund Expenses						
Water & Sewer Enterprise Funds	9,402,557	9,596,643	8,897,876	9,957,560	9,224,758	9,612,431
Stevens Estate Enterprise Fund	255,024	291,575	304,431	351,794	305,229	475,702
TOTAL EXPENDITURES GENERAL FUND AND ENTERPRISE FUNDS	88,167,438	91,935,872	92,148,621	95,558,292	96,712,229	102,171,723

Description of Funds Subject to Appropriation

General Fund – The primary operating fund of the Town. This fund is used to account for all financial transactions and resources except for those that are accounted for in another fund, i.e. Special Revenue, Grants and Donation accounts. Revenues are derived primarily from property taxes, charges for services, licenses and permits, fines and forfeits, intergovernmental revenue and miscellaneous revenue. The departments included on the General Fund budget are as follows:

- | | |
|------------------------|-------------------------------|
| (1) General Government | (4) Health & Human Services |
| Town Moderator | Health |
| Town Manager | Elder Services |
| Human Resources | Youth Services |
| Town Accountant | Veterans Services |
| Finance Committee | |
| Treasurer/Collector | (5) Culture & Recreation |
| Assessors | Library |
| Legal | |
| Community Development | (6) Support Services |
| Planning | Outside Auditing |
| Conservation | Purchasing |
| Board of Appeals | Information Technology |
| | Facility Management |
| (2) Public Safety | (7) Education |
| Police | |
| Fire | (8) Fixed Cost, Miscellaneous |
| Building Inspection | and Debt Service |
| Emergency Management | |
| (3) Public Works | |
| Administration | |
| Streets & Sidewalks | |
| Solid Waste/Recycling | |
| Vehicle Maintenance | |
| Structures & Grounds | |
| Snow & Ice Removal | |

GOVERNMENTAL FUND BALANCE CLASSIFICATION

GASB54 provides for two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories and principal (corpus) of an endowment fund. The Town has reported portions of endowment funds as nonspendable.

In addition to the nonspendable fund balance, GASB54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

- Restricted: fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- Committed: fund balances that contain self-imposed constraints of the government from its highest level of decision making authority
- Assigned: fund balances that contain self-imposed constraints of the government to be used for a particular purpose.
- Unassigned: fund balances of the general fund that is not constrained for any particular purpose.

The Town has classified its fund balances with the following hierarchy.

		<u>General</u>	<u>Community Preservation</u>	<u>Municipal Capital projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
FUND BALANCE						
Nonspendable						
	Permanent fund principal	\$ -	\$ -	\$ -	\$ 29,215	\$ 29,215
Restricted for:						
	Municipal federal and state grants	-	-	-	105,860	105,860
	Receipts reserved for appropriations	-	-	-	146,481	146,481
	Municipal revolving funds	-	-	-	562,478	562,478
	Education revolving funds	-	-	-	298,582	298,582
	School lunch funds	-	-	-	35,114	35,114
	CPA fund	-	6,504,050	-	-	6,504,050
	Other special revenue funds	-	-	-	1,090,413	1,090,413
	Affordable housing trust fund	-	-	-	1,031,649	1,031,649
	Other trust funds	-	-	-	243,721	243,721
	Municipal capital projects	-	-	4,396,407	0	4,396,407
	Education capital projects	-	-	-	38,248	38,248
	Other permanent funds	-	-	-	729,799	729,799
	Debt service	693,398	-	-	-	693,398
Assigned to:						
Encumbrances						
	General government	30,433	-	-	-	30,433
	Public Safety	52,287	-	-	-	52,287
	Education	64,968	-	-	-	64,968
	Public Works	99,169	-	-	-	99,169
	Health and human services	0	-	-	-	0
	Culture and recreation	0	-	-	-	0
	Support services	43,664	-	-	-	43,664
	Employee benefits	2,889	-	-	-	2,889
Unassigned		12,953,601	-	-	0	12,953,601
TOTAL FUND BALANCES		<u>\$ 13,940,409</u>	<u>\$ 6,504,050</u>	<u>\$ 4,396,407</u>	<u>\$ 4,311,560</u>	<u>\$ 29,152,426</u>

Source: Town of North Andover June 30, 2015 CAFA

Non-major Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are typically restricted to expenditures for a particular purpose.

Municipal Federal and State Grants – This fund is used to account for grant funds received from state and federal governments which are designated for specific non-school related programs.

Education Federal and State Grants - This fund is used to account for grant funds received from state and federal governments which are designated for specific school related programs.

Receipts Reserved for Appropriation – This fund is used to account for receipts from a specific revenue source that by law is accounted for separately from the general fund and must be spent by appropriation.

Municipal Revolving Funds – This fund is used to account for various municipal department's revolving funds established in accordance with MGL Chapter 44, Section 53E ½ and other applicable statutes.

Education Revolving Funds – This fund is used to account for the school department's revolving funds established in accordance with MGL Chapter 44, Section 53E ½ and Chapter 71.

School Lunch Fund – This fund is used to account for all cafeteria activities and is funded by user charges, federal and state grants and commodities received.

Other Special Revenue Funds – This fund is used to account for the activity of donated funds, gifts, and public safety details.

Affordable Housing Trust Fund – This fund is used to account for activities relating to the preservation and creation of affordable housing in the Town.

Other Trust Funds – This fund is used to account for activities of conservation and public safety trust funds.

Capital Project Funds

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Highway Chapter 90 Projects – This fund is used to account for construction and reconstruction of the Town's roadways. These projects are funded by state grants from the Massachusetts Highway Department.

Municipal Capital Projects – This fund is used to account for the acquisition of non-school related capital assets that are funded through both appropriation and borrowing.

Education Capital Projects - This fund is used to account for the acquisition of school related capital assets that are funded through both appropriation and borrowing.

Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purpose that support governmental programs.

Permanent Funds Principal – This fund is used to account for all non-library related gifts, bequests and contributions for which only earnings may be expended to benefit the Town.

Library Permanent Funds – This fund is used to account for gifts, bequests and contributions held for which only earnings may be expended for purpose specified by the donor in relation to library activities.

Stabilization Funds

Town Stabilization Fund

This fund is a statutory reserve account which may be used for any municipal purpose. This fund requires a two-thirds affirmative vote by the Town Meeting to appropriate. The FY17 Budget does make a contribution to this fund.

Fund balance as of June 30, 2015	\$4,208,044
FY16 contribution	<u>\$ 64,412</u>
 FY16 Est. Fund Balance as of June 30, 2016	 <u>\$4,272,456</u>
FY17 contribution	\$ 60,017
Projected FY17 Fund Balance	<u>\$4,332,473</u>

Town Capital Stabilization Fund

This fund is a statutory reserve account which may be used for additional source of funding for capital construction and replacement projects, as well as unforeseen capital expenditures. This fund requires a two-thirds affirmative vote by the Town Meeting to appropriate. The FY17 Budget does make a contribution to this fund.

Fund balance as of June 30, 2015	\$ 455,124
FY16 contribution	<u>\$ 213,000</u>
 FY16 Est. Fund Balance as of June 30, 2016	 <u>\$ 668,124</u>
FY17 contribution	\$ 350,000
Projected FY17 Fund Balance	<u>\$1,018,124</u>

Other Post-Retirement Benefits (OPEB) Stabilization Fund

Fund balance as of June 30, 2015	<u>\$ 1,000,000</u>
----------------------------------	----------------------------

Note:

Est. OPEB Liability as of June 30, 2013	\$100,068,844
Est OPEB Liability as of June 30, 2014	\$ 86,605,373

Enterprise Fund Retained Earnings Reserve

Water Fund – as of June 30, 2015	6.29 months*
Sewer Fund – as of June 30, 2015	6.82 months*

*assuming FY15 Budget Expenditures

Undesignated Fund Balance

The General Fund budget includes expenditures that are financed through transfers from other funds, such as Water, Sewer and Stevens Estate funds.

Fund balance as of June 30, 2015	\$ 6,897,118
FY15 revenues and other financing sources	\$ 86,946,978
FY15 expenditures and other financing uses	<u>\$(84,652,603)</u>
 Fund Balance as of June 30, 2015	 <u>\$ 9,191,493</u>
 Certified Free Cash as of June 30, 2015	 \$ 7,388,082

TOWN OF NORTH ANDOVER SUMMARY OF REVENUES AND EXPENSES								
		FY13 ACTUAL	FY14 ACTUAL	FY15 ACTUAL	FY16 ACTUAL	FY17 DEPARTMENT REQUESTED	FY17 ADOPTED	
I. REVENUES								
	TAX LEVY	58,388,531	60,689,624	62,119,470	64,913,747	67,476,021	67,476,021	
	DEBT EXCLUSION	1,771,640	1,742,044	1,705,849	1,867,461	1,853,589	1,853,589	
	NEW GROWTH	635,201	773,625	793,341	630,615	600,000	600,000	
	SUBTOTAL	60,795,372	63,205,294	64,618,660	67,411,823	69,929,610	69,929,610	
	LOCAL RECEIPTS	9,447,577	10,197,117	10,115,434	11,508,344	9,536,511	9,536,511	
	CHERRY SHEET	9,488,463	9,848,056	10,036,762	10,274,315	10,505,086	10,505,086	
	RESERVES AND ONE TIME REVENUE	1,561,063	396,868	1,331,748	1,873,788	524,017	524,017	
	INTERFUND TRANSFERS	1,526,297	1,543,374	1,576,647	1,551,391	1,588,365	1,588,365	
	SUBTOTAL	22,023,401	21,985,415	23,060,592	25,207,838	22,153,979	22,153,979	
	TOTAL REVENUE	82,818,773	85,190,708	87,679,252	92,619,660	92,083,589	92,083,589	
II. EXPENSES								
	TOWN BUDGETS	18,691,767	19,357,454	20,855,772	20,544,227	21,613,966	21,713,457	
	SCHOOL BUDGET	38,495,172	39,861,677	42,703,445	43,762,114	45,226,141	45,226,141	
	VOCATIONAL SCHOOL	251,748	240,750	377,644	484,178	594,968	594,960	
	SHARED EXPENSES							
	DEBT SERVICE	6,333,589	6,324,465	5,564,844	5,817,313	6,208,389	6,208,389	
	RETIREMENT ASSESSMENT	3,186,990	3,442,269	3,759,115	4,071,413	4,432,191	4,432,191	
	WORKERS COMPENSATION	248,669	271,426	310,629	329,618	393,655	393,655	
	UNEMPLOYMENT	55,406	102,434	19,692	47,196	75,000	75,000	
	GROUP INSURANCE	10,242,904	10,547,403	8,598,806	8,984,148	10,585,011	10,585,011	
	PAYROLL TAXES	603,983	630,977	675,868	714,505	700,000	700,000	
	POLICE AND FIRE ACCIDENT INS	100,104	46,933	59,577	57,067	135,850	135,850	
	LIABILITY INSURANCE	290,896	301,405	293,178	388,425	420,000	420,000	
	STABILIZATION	850,000	-	625,000	64,412	-	60,014	
	CAPITAL STABILIZATION	238,000	-	213,000	213,000	-	350,000	
	TRANSFER TO CAPITAL PROJECTS	-	-	223,500	-	-	114,800	
	TRANSFER TO SPECIAL EDUCATION STABILIZATION	-	-	-	750,000	-	-	
	TRANSFER TO OPEB TRUST FUND	-	-	-	-	50,000	50,000	
	SALARY RESERVE (27th Payroll)	-	-	-	-	-	-	
	DEFICITS (SNOW & ICE)	-	-	-	-	-	-	
	DEFICITS (OVERLAY, OTHER FUNDS)	40,103	-	1,608	303	-	-	
	*SUBTOTAL EXPENSES	79,629,331	81,127,192	84,281,677	86,227,918	90,435,171	91,059,468	
	* Excludes Non Appropriated Expenses (i.e. State Assessments & Overlay Provisions)							
	OVERLAY PROVISIONS	629,707	564,134	530,315	557,130	550,000	550,000	
	ASSESSMENTS	1,788,615	1,254,988	436,946	397,195	474,118	474,118	
	TOTAL GENERAL FUND EXPENSES	82,047,654	82,946,315	85,248,938	87,182,243	91,459,290	92,083,589	
	BALANCE AVAILABLE GENERAL FUND	771,119	2,244,394	2,430,314	5,437,418	624,300	-	
ENTERPRISE FUNDS								
	WATER RECEIPTS	5,488,306	5,295,670	5,473,594	5,868,556	4,984,020	4,984,019	
	SEWER RECEIPTS	4,947,344	5,007,052	5,105,946	5,155,927	4,657,212	4,628,412	
	STEVENS ESTATE RECEIPTS	335,770	337,551	483,795	526,859	475,702	475,702	
	TOTAL RECEIPTS	10,771,420	10,640,273	11,063,335	11,551,343	10,116,934	10,088,134	
	WATER EXPENSES	4,885,495	4,601,086	5,388,886	4,817,318	4,984,020	4,984,019	
	SEWER EXPENSES	4,711,148	4,296,789	4,568,674	4,407,440	4,657,212	4,628,412	
	STEVENS ESTATE EXPENSES	291,575	304,431	351,794	305,229	475,702	475,702	
	TOTAL EXPENSES	9,888,217	9,202,307	10,309,354	9,529,986	10,116,934	10,088,134	
	BALANCE AVAILABLE ENTERPRISE FUNDS	883,203	1,437,967	753,981	2,021,357	0	0	

TOWN OF NORTH ANDOVER DETAIL EXPENSES

	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Department Requested	FY17 Adopted
<u>GENERAL GOVERNMENT</u>						
<u>MODERATOR</u>						
Salaries	662	500	500	750	850	850
Expense	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Moderator Budget	662	500	500	750	850	850
<u>SELECTMEN/TOWN MANAGER</u>						
Town Manager	149,000	153,046	157,981	158,776	166,026	166,026
Assistant Town Manager	0	47,520	48,352	49,565	52,788	52,788
Admin Assistant	38,677	25,826	0	0	0	0
Confidential Secretary	44,046	47,973	0	0	0	0
Executive Assistant	0	0	40,266	55,852	55,852	55,852
Selectmen	25,500	24,856	25,170	25,500	25,500	25,500
Other Compensation	<u>5,291</u>	<u>1,688</u>	<u>9,908</u>	<u>5,967</u>	<u>7,549</u>	<u>7,549</u>
Total Salaries	262,513	300,908	281,677	295,660	307,715	307,715
Expense	<u>49,359</u>	<u>65,683</u>	<u>55,990</u>	<u>34,442</u>	<u>39,550</u>	<u>39,550</u>
Total Selectmen/Town Manager Budget	311,871	366,591	337,667	330,102	347,265	347,265
<u>HUMAN RESOURCES</u>						
Human Resource Director	76,014	80,160	81,032	86,573	86,981	86,981
HR Benefits Specialist	0	0	51,341	55,574	55,852	55,852
Other Compensation	<u>0</u>	<u>0</u>	<u>1,125</u>	<u>2,019</u>	<u>1,975</u>	<u>1,975</u>
Total Salaries	76,014	80,160	133,497	144,166	144,808	144,808
Expense	<u>2,775</u>	<u>3,392</u>	<u>10,997</u>	<u>22,819</u>	<u>24,540</u>	<u>24,540</u>
Total Human Resources Budget	78,789	83,552	144,495	166,985	169,348	169,348
<u>ASSISTANT TOWN MANAGER</u>						
Salaries	46,703	0	0	0	0	0
Other Compensation	<u>413</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Salaries	47,115	0	0	0	0	0
Expense	<u>1,838</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assistant Town Manager Budget	48,953	0	0	0	0	0
<u>TOWN ACCOUNTANT</u>						
Town Accountant	92,609	95,040	97,877	105,575	105,575	105,575
Assistant Town Accountant	43,075	43,828	46,075	49,054	48,410	48,410
Payroll Coordinator	24,246	24,953	27,611	44,031	0	0
Accounts Payable Clerk	37,226	37,869	41,131	13,907	0	0
Other Compensation	<u>2,275</u>	<u>2,275</u>	<u>2,275</u>	<u>1,928</u>	<u>17,650</u>	<u>17,650</u>
Total Salaries	199,430	203,965	214,968	214,495	171,635	171,635
Expense	<u>20,789</u>	<u>22,320</u>	<u>18,494</u>	<u>20,943</u>	<u>20,150</u>	<u>20,150</u>
Total Town Accountant Budget	220,218	226,285	233,462	235,437	191,785	191,785
<u>FINANCE COMMITTEE</u>						
Expense	<u>326</u>	<u>409</u>	<u>429</u>	<u>600</u>	<u>795</u>	<u>795</u>
Total Finance Committee	326	409	429	600	795	795
<u>ASSESSORS</u>						
Assessor	75,849	77,176	78,527	80,313	80,498	80,498
Assistant Assessors (2)	88,890	90,446	92,028	94,122	98,338	98,338
Department Assistant	28,173	29,891	31,028	32,253	33,017	33,017
Board of Assessors	10,000	10,000	10,000	10,000	10,000	10,000
Other Compensation	<u>7,872</u>	<u>2,775</u>	<u>2,775</u>	<u>3,195</u>	<u>3,940</u>	<u>3,940</u>
Total Salaries	210,784	210,288	214,359	219,883	225,793	225,793
Expense	<u>100,268</u>	<u>97,585</u>	<u>98,313</u>	<u>101,912</u>	<u>106,205</u>	<u>106,205</u>
Total Assessors Budget	311,052	307,872	312,672	321,795	331,998	331,998

	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Department Requested	FY17 Adopted
<u>TREASURER/COLLECTOR</u>						
Treasurer/Collector	64,612	65,743	66,893	78,295	77,250	77,250
Principal Assistant	40,346	41,048	42,183	26,132	42,920	42,920
Department Assistants (2)	73,822	75,738	76,942	79,268	82,642	82,642
Other Compensation	<u>3,100</u>	<u>3,266</u>	<u>5,657</u>	<u>29,655</u>	<u>2,275</u>	<u>2,275</u>
Total Salaries	181,879	185,794	191,675	213,349	205,087	205,087
Expense	<u>116,366</u>	<u>114,239</u>	<u>115,633</u>	<u>135,416</u>	<u>132,565</u>	<u>132,565</u>
Total Treasurer/Collector Budget	298,246	300,033	307,308	348,765	337,652	337,652
<u>LEGAL</u>						
In House Council	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>60,000</u>	<u>60,000</u>
Total Salaries	0	0	0	0	60,000	60,000
Expense	<u>94,432</u>	<u>100,049</u>	<u>89,340</u>	<u>102,939</u>	<u>105,000</u>	<u>105,000</u>
Total Legal Budget	94,432	100,049	89,340	102,939	165,000	165,000
<u>TOWN CLERK</u>						
Town Clerk	69,957	71,235	72,468	73,698	73,467	73,467
Assistant Town Clerk	44,798	45,582	45,488	64,120	49,505	49,505
Department Assistant (2)	72,642	73,636	76,752	59,907	81,255	81,255
Registrars	1,980	2,160	2,335	2,160	2,160	2,160
Other Compensation	<u>1,850</u>	<u>2,375</u>	<u>2,575</u>	<u>9,186</u>	<u>3,775</u>	<u>3,775</u>
Total Salaries	191,227	194,989	199,618	209,072	210,162	210,162
Expense	<u>146,663</u>	<u>67,281</u>	<u>107,373</u>	<u>98,350</u>	<u>132,850</u>	<u>132,850</u>
Total Town Clerk Budget	337,890	262,269	306,990	307,422	343,012	343,012
<u>CONSERVATION</u>						
Conservation Administrator	58,651	63,293	66,940	68,462	68,620	68,620
Department Assistant	18,536	18,935	38,471	41,223	41,321	41,321
Other Compensation	<u>938</u>	<u>938</u>	<u>1,508</u>	<u>1,350</u>	<u>1,400</u>	<u>1,400</u>
Total Salaries	78,125	83,165	106,919	111,035	111,341	111,341
Expense	<u>7,659</u>	<u>6,070</u>	<u>7,441</u>	<u>7,520</u>	<u>11,067</u>	<u>11,067</u>
Total Conservation Budget	85,784	89,236	114,361	118,555	122,408	122,408
<u>COMMUNITY DEVELOPMENT</u>						
Director	94,954	96,616	95,537	92,094	92,460	92,460
Assistant Director	0	0	45,486	61,051	0	0
Administrative Assistant	47,030	47,853	48,691	49,798	36,601	36,601
Other Compensation	<u>1,550</u>	<u>1,650</u>	<u>1,344</u>	<u>1,650</u>	<u>1,975</u>	<u>1,975</u>
Total Salaries	143,534	146,119	191,057	204,593	131,036	131,036
Expense	<u>69,218</u>	<u>54,769</u>	<u>68,992</u>	<u>93,051</u>	<u>168,245</u>	<u>168,245</u>
Total Community Development Budget	212,752	200,888	260,049	297,643	299,281	299,281
<u>PLANNING</u>						
Town Planner	65,689	62,432	35,737	14,923	66,896	66,896
Staff Planner	0	0	0	0	50,260	50,260
Department Assistant	32,651	34,755	14,318	51,241	34,203	34,203
Other Compensation	<u>3,720</u>	<u>897</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Salaries	102,060	98,084	50,055	66,164	151,359	151,359
Expense	<u>6,030</u>	<u>10,841</u>	<u>8,972</u>	<u>7,911</u>	<u>13,475</u>	<u>13,475</u>
Total Planning Budget	108,091	108,925	59,027	74,075	164,834	164,834
<u>BOARD OF APPEALS</u>						
Department Assistant	33,875	35,791	29,115	15,893	15,715	15,715
Other Compensation	0	0	525	0	0	0
Total Salaries	33,875	35,791	29,640	15,893	15,715	15,715
Expense	<u>815</u>	<u>1,200</u>	<u>759</u>	<u>839</u>	<u>1,475</u>	<u>1,475</u>
Total Board of Appeals Budget	34,689	36,991	30,399	16,732	17,190	17,190
<u>SALARY RESERVE</u>						
General Government Salary Reserve	0	0	0	0	0	31,091
Total Salaries	0	0	0	0	0	31,091
TOTAL GENERAL GOVERNMENT	2,143,756	2,083,600	2,196,697	2,321,800	2,491,417	2,522,509

	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Department Requested	FY17 Adopted
<u>PUBLIC SAFETY</u>						
<u>POLICE DEPARTMENT</u>						
Chief (1)	128,690	130,907	133,163	136,031	133,809	133,809
Lieutenant (2)	196,743	191,363	207,721	213,814	217,230	217,230
Sergeants (8)	570,104	645,822	661,778	523,444	701,484	701,484
Patrol Officers (29)	1,728,682	1,577,732	1,672,937	1,994,290	1,966,919	1,966,919
Administrative Service Director	70,559	71,794	73,050	83,639	74,884	74,884
Community Service Officer	39,242	37,876	38,744	6,129	40,308	40,308
Administrative Secretary	40,346	41,048	41,867	42,812	42,920	42,920
Department Assistant	31,499	37,869	38,630	41,223	41,321	41,321
Communications Officers (9), Reserve Disp (2)	361,982	321,110	311,659	461,028	402,626	402,626
Holiday Pay	68,425	56,463	63,075	73,935	76,663	76,663
Differential (Disptachers)	15,504	15,157	14,768	16,242	17,521	17,521
Overtime	122,665	119,635	132,805	157,633	161,870	161,870
Holiday Overtime	29,824	42,835	31,193	27,272	26,500	26,500
Personal Pay Overtime	20,735	28,567	19,270	18,807	21,600	21,600
Vacation Pay Overtime	86,853	103,312	99,490	69,423	80,200	80,200
Other Compensation	<u>283,596</u>	<u>214,996</u>	<u>233,588</u>	<u>196,876</u>	<u>321,145</u>	<u>321,145</u>
Total Salaries	3,795,448	3,636,485	3,773,738	4,062,597	4,326,999	4,326,999
Expense	<u>474,533</u>	<u>603,398</u>	<u>617,711</u>	<u>712,206</u>	<u>705,513</u>	<u>705,513</u>
Total Police Budget	4,269,982	4,239,883	4,391,448	4,774,803	5,032,512	5,032,511
<u>FIRE DEPARTMENT</u>						
Chief	107,687	113,571	111,489	89,425	113,718	113,718
Deputy Fire Chief	0	0	0	43,845	94,998	94,998
Lieutenants (9)	600,773	611,496	649,842	522,741	584,128	584,128
Firefighters (44)	2,324,624	2,361,293	2,390,359	2,775,010	2,592,786	2,592,786
Administrative Secretary	40,346	41,048	41,867	42,812	42,920	42,920
Holiday Pay	251,617	250,796	258,467	187,980	292,419	292,419
Overtime	117,848	115,463	102,305	159,394	660,306	660,306
Personal Pay Overtime	66,622	77,651	73,454	84,618	0	0
Vacation Pay Overtime	266,193	279,042	303,622	318,268	0	0
EMT Stipend	136,370	146,849	165,660	184,359	195,858	195,858
Other Compensation	<u>291,948</u>	<u>233,279</u>	<u>254,383</u>	<u>132,358</u>	<u>84,506</u>	<u>84,506</u>
Total Salaries	4,204,027	4,230,488	4,351,446	4,540,809	4,661,639	4,661,639
Expense	<u>395,475</u>	<u>410,200</u>	<u>513,562</u>	<u>522,116</u>	<u>492,784</u>	<u>492,784</u>
Total Fire Budget	4,599,502	4,640,688	4,865,008	5,062,925	5,154,423	5,154,423
<u>PUBLIC SAFETY SALARY RESERVE</u>						
Public Safety Salary Reserve (includes retirements)	0	208,714	27,048	49,589	0	17,627
Total Public Safety Reserve Budget	0	208,714	27,048	49,589	0	17,627
<u>INSPECTIONAL SERVICES</u>						
Inspector of Buildings	75,574	76,897	78,243	86,711	80,206	80,206
Building Inspector	52,579	53,500	55,106	62,065	55,802	55,802
Electrical Inspector	37,908	45,162	52,229	19,953	41,356	41,356
Plumbing/Gas Inspector	18,261	23,672	27,139	17,819	41,356	41,356
Department Assistant	36,504	39,283	38,630	41,223	41,321	41,321
Other Compensation	<u>2,295</u>	<u>2,295</u>	<u>8,333</u>	<u>45,881</u>	<u>17,697</u>	<u>17,697</u>
Total Salaries	223,122	240,808	259,679	273,652	277,738	277,738
Expense	<u>21,986</u>	<u>16,104</u>	<u>13,817</u>	<u>15,875</u>	<u>17,320</u>	<u>17,320</u>
Total Building Inspection Budget	245,108	256,912	273,496	289,526	295,058	295,059

	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Department Requested	FY17 Adopted
<u>EMERGENCY MANAGEMENT</u>						
Director	5,331	5,331	5,424	5,506	5,560	5,560
Other Compensation	0	0	0	0	0	0
Total Salaries	5,331	5,331	5,424	5,506	5,560	5,560
Expense	<u>14,752</u>	<u>25,069</u>	<u>35,443</u>	<u>33,144</u>	<u>36,011</u>	<u>36,011</u>
Total Emergency Management Budget	20,083	30,400	40,868	38,649	41,571	41,571
TOTAL PUBLIC SAFETY	9,134,674	9,376,598	9,597,868	10,215,493	10,523,564	10,541,191
<u>PUBLIC WORKS</u>						
<u>ADMINISTRATION</u>						
Director	102,302	104,092	106,556	107,689	112,637	112,637
Operations Manager	42,874	43,625	44,388	56,596	45,502	45,502
Assistant Operations Manager	35,860	36,487	37,126	37,126	38,058	38,058
GIS Analyst	10,814	0	0	0	0	0
Town Engineer	83,965	85,434	86,929	88,386	89,111	89,111
Staff Engineer	16,733	16,364	44,912	35,907	49,440	49,440
Department Assistant	36,548	37,976	39,400	42,812	42,920	42,920
Administrative Secretary	40,346	41,048	41,867	41,087	41,321	41,321
Other Compensation	5,590	3,175	3,275	3,575	3,840	3,840
Public Works Salary Reserve	0	0	0	0	0	13,694
Total Salaries	375,031	368,202	404,452	413,176	422,828	436,521
Expense	<u>19,471</u>	<u>21,048</u>	<u>22,382</u>	<u>25,036</u>	<u>25,000</u>	<u>25,000</u>
Total Public Works Admin Budget	394,502	389,250	426,834	438,212	447,828	461,521
<u>STREETS AND SIDEWALKS</u>						
Senior Foreman	100,880	14,548	60,765	15,809	13,666	13,666
HMEO	132,060	164,967	169,611	174,729	181,729	181,729
SMEO	88,642	102,781	84,768	95,182	141,762	141,762
Laborer/MEO	6,797	33,094	19,906	20,941	20,405	20,405
Working Foreman	0	61,538	35,646	46,634	40,841	40,841
Tree Surgeon	0	0	0	0	45,000	45,000
Overtime	38,389	27,194	45,039	25,697	23,500	23,500
Other Compensation	0	0	0	4,100	0	0
Total Salaries	366,768.25	404,122	415,735	383,091	466,903	466,903
Expense	363,177	438,489	367,939	387,014	417,170	417,170
Capital Outlay	0	<u>28,620</u>	<u>39,761</u>	<u>59,642</u>	<u>60,000</u>	<u>60,000</u>
Total Streets & Sidewalks Budget	729,945	871,231	823,435	829,747	944,073	944,073
<u>REFUSE AND RECYCLING</u>						
Senior Foreman	12,548	15,936	15,281	7,829	13,614	13,614
Working Foreman	0	11,645	11,882	28,047	0	0
HMEO	51,353	37,737	25,706	19,629	0	0
SMEO	0	0	0	12,194	12,210	12,210
Overtime	7,170	4,770	8,407	11,204	6,000	6,000
Other Compensation	0	0	0	991	0	0
Total Salaries	71,071	70,088	61,275	79,894	31,823	31,823
Contract Services	579,949	554,867	634,086	681,052	695,066	695,066
Dumping Fees	546,907	503,774	503,000	529,601	575,000	575,000
Other Expenses	22,431	10,368	10,373	10,261	28,610	28,610
Total Expense	<u>1,149,288</u>	<u>1,069,008</u>	<u>1,147,459</u>	<u>1,220,914</u>	<u>1,298,676</u>	<u>1,298,676</u>
Total Refuse & Recycling Budget	1,220,358	1,139,097	1,208,734	1,300,808	1,330,499	1,330,499
<u>VEHICLE MAINTENANCE</u>						
Working Foreman	45,448	46,238	47,154	48,921	48,630	48,630
Mechanic	43,222	43,638	43,120	45,835	45,947	45,947
Overtime	5,354	2,859	4,424	4,039	500	500
Other Compensation	0	0	0	0	0	0
Total Salaries	94,025	92,736	94,698	98,795	95,078	95,078
Expense	158,800	261,353	262,495	171,844	197,400	197,400
Vehicle	0	0	0	115,899	113,000	113,000
Total Expense	<u>158,800</u>	<u>261,353</u>	<u>262,495</u>	<u>287,743</u>	<u>310,400</u>	<u>310,400</u>
Total Vehicle Maintenance Budget	252,825	354,089	357,192	386,538	405,478	405,478

	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Department Requested	FY17 Adopted
STRUCTURES AND GROUNDS						
Senior Foreman	13,961	14,499	14,928	15,913	13,666	13,666
Working Foreman	46,051	28,105	0	0	0	0
Custodian	33,044	34,311	36,348	39,557	40,424	40,424
HMEO	56,829	81,668	115,190	50,977	63,242	63,242
SMEO	19,371	22,655	20,393	63,981	79,559	79,559
Laborer/MEO	834	4,727	9,355	14,464	10,179	10,179
Overtime	6,203	8,454	16,632	11,990	11,500	11,500
Other Compensation	<u>43,417</u>	<u>28,463</u>	<u>7,025</u>	<u>21,074</u>	<u>10,550</u>	<u>10,550</u>
Total Salaries	219,710	222,882	219,872	217,956	229,120	229,120
Expense	<u>310,681</u>	<u>300,048</u>	<u>325,923</u>	<u>351,012</u>	<u>358,800</u>	<u>358,800</u>
Total Structures & Grounds Budget	530,391	522,930	545,795	568,968	587,920	587,920
SNOW AND ICE REMOVAL						
Overtime	147,981	161,810	222,949	89,283	95,000	95,000
Total Salaries	147,981	161,810	222,949	89,283	95,000	95,000
Repairs and Maintenance	34,695	26,140	69,425	83,109	45,000	45,000
Equipment Rental/Lease	766,967	718,552	1,179,348	245,176	475,000	475,000
Telephone	0	0	0	47,791	15,500	15,500
Vehicle Fuel	83,049	75,615	69,053	32,089	70,000	70,000
Gravel and Sand	7,475	21,667	27,698	11,050	15,000	15,000
Salt	302,488	319,216	370,715	262,107	167,000	167,000
Other Charges and Expense	6,641	9,871	7,421	6,754	8,000	8,000
Capital Purchases	0	0	0	82,850	0	0
Total Expense	<u>1,201,313</u>	<u>1,171,061</u>	<u>1,723,660</u>	<u>770,926</u>	<u>795,500</u>	<u>795,500</u>
Total Snow Removal Budget	1,349,295	1,332,871	1,946,609	860,209	890,500	890,500
TOTAL PUBLIC WORKS	4,477,316	4,609,468	5,308,600	4,384,481	4,606,298	4,619,991
HEALTH & HUMAN SERVICES						
HEALTH DEPARTMENT						
Public Health Director	68,131	69,323	70,536	67,832	80,944	80,944
Health Inspector	34,956	34,897	35,507	40,867	40,398	40,398
Public Nurse	45,849	47,340	45,715	48,633	49,468	49,468
Department Assistant	27,360	33,134	35,185	38,876	39,757	39,757
Sealer -Weights/Measurers	3,800	3,800	3,800	4,055	4,055	4,055
Other Compensation	<u>5,532</u>	<u>7,468</u>	<u>9,177</u>	<u>7,853</u>	<u>5,910</u>	<u>5,910</u>
Total Salaries	185,627	195,962	199,920	208,115	220,532	220,532
Expense	<u>5,626</u>	<u>5,983</u>	<u>5,609</u>	<u>6,672</u>	<u>7,275</u>	<u>7,275</u>
Total Health Budget	191,254	201,945	205,529	214,787	227,807	227,807
ELDER SERVICES						
Director	63,032	64,135	65,258	66,742	66,896	66,896
Program Manager	27,355	36,901	37,547	38,401	41,536	41,536
Outreach Worker	42,745	43,790	44,556	45,569	45,674	45,674
Administrative Secretary	38,844	39,527	40,307	41,223	41,321	41,321
Van Driver	33,494	34,888	35,882	37,928	38,025	38,025
Other Compensation	<u>3,228</u>	<u>3,100</u>	<u>3,100</u>	<u>3,275</u>	<u>3,575</u>	<u>3,575</u>
Total Salaries	208,697	222,340	226,649	233,138	237,027	237,027
Expense	<u>29,148</u>	<u>29,893</u>	<u>30,591</u>	<u>30,302</u>	<u>31,837</u>	<u>31,837</u>
Total Elder Services Budget	237,845	252,233	257,240	263,440	268,864	268,864
YOUTH AND RECREATION SERVICES						
Director	78,323	79,694	81,089	82,901	86,024	86,024
Support Service Coordinator	38,768	34,982	36,567	38,994	40,235	40,235
Admin Support	0	0	37,261	38,141	41,848	41,848
Social Prgram Coordinator	36,613	37,254	37,906	38,100	41,607	41,607
Program Coordinator	36,613	37,254	37,906	39,499	41,607	41,607
Other Compensation	<u>21,638</u>	<u>34,817</u>	<u>31,287</u>	<u>22,879</u>	<u>41,075</u>	<u>41,075</u>
Total Salaries	211,954	224,000	262,015	260,514	292,396	292,396
Expense	<u>22,123</u>	<u>73,422</u>	<u>79,816</u>	<u>40,979</u>	<u>29,464</u>	<u>29,464</u>
Total Youth & Recreation Budget	234,077	297,423	341,832	301,493	321,860	321,860

	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Department Requested	FY17 Adopted
<u>VETERANS SERVICES</u>						
Director	48,597	49,448	50,313	78,425	52,530	52,530
Assistant Director	0	19,133	41,745	14,584	0	0
Graves Officer	0	0	450	0	0	0
Other Compensation	825	1,275	1,650	1,609	22,080	22,080
Total Salaries	49,422	69,856	94,159	94,618	74,610	74,610
Veterans Benefits	260,686	250,428	278,588	247,524	325,000	325,000
All Other Expenses	12,435	11,939	16,384	14,248	16,730	16,730
Total Expense	273,121	262,367	294,972	261,772	341,730	341,730
Total Veterans Budget	322,544	332,222	389,130	356,389	416,340	416,340
<u>SALARY RESERVE</u>						
Health and Human Services Salary Reserve	0	0	0	0	0	10,507
Total Salaries Reserve	0	0	0	0	0	10,507
TOTAL HEALTH AND HUMAN SERVICES	985,720	1,083,822	1,193,731	1,136,109	1,234,871	1,245,377
<u>CULTURE AND RECREATION</u>						
<u>STEVENS MEMORIAL LIBRARY</u>						
Director	72,430	75,540	89,680	76,638	76,730	76,730
Assistant Director	52,530	54,786	27,562	26,540	55,314	55,314
Reference Librarian	64,078	70,195	76,602	57,049	80,978	80,978
Head of Reference	48,789	49,681	51,168	48,073	52,306	52,306
Head of Circulation	48,242	48,845	48,914	42,412	46,116	46,116
Head of Youth Services	48,789	50,466	51,461	30,611	52,705	52,705
Assistant to Youth Services	25,896	26,979	4,541	0	0	0
Library Assistant	28,871	0	64,395	69,851	87,119	87,119
Library Assistant - Technology	18,587	0	7,587	19,829	19,829	19,829
Adult Library Assistant	23,829	25,070	25,202	0	31,684	31,684
CR Library Assistant	56,714	95,046	74,648	39,507	56,223	56,223
Electronics Resources	0	22,215	23,482	22,988	23,764	23,764
Senior Custodian	38,501	39,948	41,466	42,776	42,920	42,920
Shared Position w/School	0	0	0	0	20,709	20,709
Other Compensation	47,233	47,830	41,465	179,753	94,249.50	94,250
Salary Reserve	0	0	0	0	0	13,005
Total Salaries	574,489	606,601	628,172	656,027	740,647	753,652
Expense	272,765	254,826	266,691	284,150	270,383	270,383
Total Library Budget	847,254	861,428	894,863	940,176	1,011,030	1,024,035
TOTAL CULTURE AND RECREATION	847,254	861,428	894,863	940,176	1,011,030	1,024,035
<u>SUPPORT SERVICES</u>						
<u>AUDITING</u>						
Expense	56,080	57,580	58,580	54,080	55,000	55,000
Total Budget	56,080	57,580	58,580	54,080	55,000	55,000
<u>PURCHASING</u>						
Purchasing Director	46,702	47,520	48,351	49,248	52,788	52,788
Payroll Coordinator	0	0	0	0	57,680	57,680
Other Compensation	413	413	413	413	16,213	16,213
Total Salaries	47,115	47,932	48,764	49,661	126,681	126,681
Expense	1,722	1,187	935	661	5,005	5,005
Total Admin Suppor Budget	48,837	49,119	49,699	50,322	131,686	131,686
<u>INFORMATION TECHNOLOGY</u>						
IT Director Town	88,862	90,417	86,944	104,935	106,103	106,103
Network Engineer	56,020	38,789	37,809	63,521	64,179	64,179
IT Director School	40,000	20,211	40,796	41,000	41,000	41,000
IT Support (5)	236,741	268,459	274,230	260,289	328,986	328,986
Other Compensation	1,212	1,050	1,050	2,100	2,200	2,200
Total Salaries	422,836	418,927	440,828	471,845	542,468	542,468
Expense	483,858	580,693	819,761	665,688	705,330	705,330
Total Information Technology Budget	906,694	999,620	1,260,589	1,137,533	1,247,798	1,247,798

	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Department Requested	FY17 Adopted
<u>FACILITY MANAGER</u>						
Facilities Manager	85,000	86,488	88,001	90,003	90,210	90,210
Maintenance Facilities Manager	0	55,958	74,018	75,702	75,876	75,876
Other Compensation	0	16,787	0	0	0	0
Total Salaries	85,000	159,233	162,019	165,704	166,086	166,086
Expense	6,436	76,987	133,128	138,527	146,217	146,217
Total Facilities Budget	91,436	236,220	295,147	304,231	312,303	312,303
<u>SALARY RESERVE</u>						
Support Services Salary Reserve	0	0	0	0	0	13,567
Total Salaries Reserve	0	0	0	0	0	13,567
TOTAL SUPPORT SERVICES	1,103,047	1,342,538	1,664,015	1,546,166	1,746,787	1,760,354
<u>SHARED COST - NON DEPARTMENTS</u>						
<u>DEBT SERVICE</u>						
Long Term Principal -Excluded	1,399,856	1,434,856	1,485,000	1,700,000	1,745,000	1,745,000
Long Term Interest - Excluded	440,710	376,115	289,775	236,388	177,516	177,516
Long Term Principal - Non Excluded	3,819,474	3,931,890	3,098,967	3,085,624	3,273,902	3,273,902
Long Term Interest - Non Excluded	673,549	579,627	688,132	795,301	1,011,971	1,011,971
Short Term Interest - Non Excluded	0	1,977	2,970	0	0	0
Total Debt Budget	6,333,589	6,324,465	5,564,844	5,817,313	6,208,389	6,208,389
<u>UNCLASSIFIED - SHARED COST</u>						
Workers Comp	248,669	271,426	310,629	329,618	393,655	393,655
Unemployment Compensation	55,406	102,434	19,692	47,196	75,000	75,000
Payroll Taxes	603,983	630,977	675,868	714,505	700,000	700,000
Police and Fire Accident Insurance	100,104	46,933	59,577	57,067	135,850	135,850
Total Unclassified - Shared Cost	1,008,161	1,051,770	1,065,766	1,148,385	1,304,505	1,304,505
<u>RETIREMENT</u>						
Retirement Assessment	3,186,990	3,442,269	3,759,115	4,071,413	4,432,191	4,432,191
Total Retirement	3,186,990	3,442,269	3,759,115	4,071,413	4,432,191	4,432,191
<u>HEALTH INSURANCE</u>						
Health Insurance	10,242,904	10,547,403	8,598,806	8,984,148	10,585,011	10,585,011
Total Health Insurance	10,242,904	10,547,403	8,598,806	8,984,148	10,585,011	10,585,011
<u>LIABILITY INSURANCE</u>						
Liability Insurance	290,896	301,405	293,178	388,425	420,000	420,000
Total Liability Insurance	290,896	301,405	293,178	388,425	420,000	420,000
<u>CAPITAL AND RESERVES</u>						
Transfer to Stabilization	850,000	0	625,000	64,412	60,017	60,017
Transfer to Capital Stabilization	238,000	0	213,000	213,000	350,000	350,000
Transfer to Capital Projects	0	0	223,500	0	114,800	114,800
Transfer to Special Education Stabilization	0	0	0	750,000	0	0
Transfer to OPEB Trust Fund	0	0	0	0	50,000	50,000
Salary Reserve (27th Pay)	0	0	0	0	0	0
Deficits (Overlay)	10,394	0	1,608	303	0	0
Deficits (Snow and Ice)	0	0	0	0	0	0
Deficits (Revolving Funds, Chpt 90)	29,710	0	0	0	0	0
Deficits (Stevens Estate)	0	0	0	0	0	0
Total Capital and Reserves	1,128,103	0	1,063,108	1,027,715	574,817	574,817
TOTAL SHARED - NON DEPARTMENTAL COST	22,190,644	21,667,311	20,344,816	21,437,400	23,524,913	23,524,913

	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Department Requested	FY17 Adopted
EDUCATION						
N A Public School	38,494,272	39,861,688	41,848,445	43,762,114	45,226,141	45,226,141
All Day Kindergarten	0	0	680,000	0	0	0
Special Education	0	0	175,000	0	0	0
N A School Building Committee	900	0	0	0	0	0
Regional Vocational Tech School Assessment	251,748	240,750	297,571	347,896	454,589	454,589
Essex County Agricultural Tech Assessment	0	0	80,073	136,282	140,370	140,370
Total Education	38,746,920	40,102,438	43,081,089	44,246,292	45,821,101	45,821,101
TOTAL EDUCATION	38,746,920	40,102,438	43,081,089	44,246,292	45,821,101	45,821,101
*TOTAL GENERAL FUND BUDGET	79,629,331	81,127,203	84,281,677	86,227,917	90,959,980	91,059,470

* Excludes Non Appropriated Expenses (i.e. State Assessments & Overlay Provisions)

Total FY16 Town Budget including State Assessments \$460,309 and Overlay Provisions \$550,000 = \$89,348,722

STATE ASSESSMENTS (Cherry Sheet)						
Special Education	7,155	11,769	18,904	17,668	12,364	12,364
Mosquito Control	90,159	91,372	91,677	91,843	94,427	94,427
Retired Teachers Health Insurance	1,316,435	755,578	0	0	0	0
Air Pollution Control	8,819	9,251	9,195	9,394	9,471	9,471
Regional Transit	184,305	185,776	185,331	191,505	190,891	190,891
RMV Non Renewal Surcharge	17,280	18,580	18,580	18,580	19,137	19,137
School Choice	14,068	5,000	5,243	0	5,150	5,150
Charter School Assessment	75,544	140,003	108,016	68,205	142,678	142,678
Essex County Agricultural Assessment	74,850	37,659	0	0	0	0
Total State Assessments	1,788,615	1,254,988	436,946	397,195	474,118	474,118
OVERLAY PROVISIONS						
Overlay	629,707	564,134	530,315	557,130	550,000	550,000
Total Overlay Provisions	629,707	564,134	530,315	557,130	550,000	550,000

	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Department Requested	FY17 Adopted
<u>ENTERPRISE FUNDS</u>						
<u>WATER ENTERPRISE FUND</u>						
Administrative Secretary	34,718	36,034	37,254	38,262	40,375	40,375
Asst Operations Manager	35,860	36,487	37,126	40,132	38,058	38,058
Asst WTP Superintendent	50,738	51,619	49,638	51,458	49,468	49,468
Electrician	0	13,712	14,582	0	0	0
Foreman	33,873	35,131	35,905	15,913	13,666	13,666
Head Meter Reader	37,098	39,853	0	30,267	36,691	36,691
HMEO	7,015	3,881	16,794	20,303	52,480	52,480
Laborer	9,169	20,189	38,017	38,073	40,738	40,738
Lab Director	37,335	47,685	39,189	0	53,754	53,754
Mechanic	0	40,143	44,486	117,604	57,069	57,069
Meter Reader	39,048	43,852	86,020	44,385	88,171	88,171
O/M Chief	30,415	47,314	48,169	29,492	65,014	65,014
Operations Manger	21,437	21,812	22,194	17,100	22,751	22,751
Senior Foreman	13,961	14,499	14,928	0	0	0
Senior Water Analyst	0	0	0	0	0	0
SMEO	21,683	32,434	32,370	0	0	0
Staff Engineer	0	2,377	14,971	13,561	16,480	16,480
WTP Operator	185,912	244,252	241,380	226,806	228,253	228,253
WTP Superintendent	41,982	64,076	91,051	65,197	67,514	67,514
Overtime	34,687	61,155	83,697	62,267	51,500	51,500
Other Compensation	<u>7,344</u>	<u>14,296</u>	<u>10,365</u>	<u>48,708</u>	<u>6,182</u>	<u>17,308</u>
Total Salaries	642,274	870,803	958,135	859,528	928,163.87	939,289.87
Expense	1,286,545	1,161,065	1,229,490	1,213,795	1,600,751	1,600,751
Debt Service	2,197,185	1,690,478	1,700,551	1,185,768	1,022,670	1,022,670
Transfer to Capital	11,920	0	600,000	635,000	475,000	475,000
Indirect Cost	<u>747,571</u>	<u>878,741</u>	<u>900,710</u>	<u>923,227</u>	<u>946,308</u>	<u>946,308</u>
Total Water Enterprise Budget	4,885,495	4,601,087	5,388,886	4,817,318	4,972,893	4,984,019
<u>SEWER ENTERPRISE FUND</u>						
Administrative Secretary	34,718	35,872	37,254	34,723	40,375	40,375
Asst Operations Manager	0	0	0	0	0	0
Asst WTP Superintendent	16,913	17,206	16,546	44,319	16,489	16,489
Electrician	0	41,213	43,146	0	0	0
Foreman	11,578	11,710	12,152	26,334	12,230	12,230
HMEO	6,806	11,473	18,404	16,058	41,534	41,534
Laborer	0	3,377	9,953	14,351	0	0
Mechanic	200,772	119,310	129,177	119,038	171,211	171,211
O/M Chief	30,175	15,772	16,056	35,418	0	0
Operations Manger	21,437	21,812	22,194	17,100	22,751	22,751
Senior Foreman	13,961	14,451	14,928	15,913	13,666	13,666
SMEO	21,683	10,582	10,790	6,875	0	0
WTP Operator	62,151	0	0	0	0	0
WTP Superintendent	41,982	21,359	30,337	21,732	22,505	22,505
Staf Engineer	0	0	0	5,596	0	0
Overtime	21,436	25,936	25,006	14,541	36,000	36,000
Other Compensation	<u>3,108</u>	<u>17,453</u>	<u>950</u>	<u>1,081</u>	<u>1,169</u>	<u>6,889</u>
Total Salaries	497,682	367,527	386,892	373,078	377,930	383,650
Expense	266,654	210,240	257,685	744,524	305,010	305,010
Debt Service	2,000,201	1,982,954	1,956,938	1,620,008	1,344,433	1,344,433
Sewer Assessment	1,325,429	1,322,544	1,543,296	1,155,370	2,000,000	2,000,000
Transfer to Capital	91,438	0	0	80,000	150,000	150,000
Indirect Cost	<u>529,744</u>	<u>413,525</u>	<u>423,863</u>	<u>434,460</u>	<u>445,321</u>	<u>445,321</u>
Total Sewer Enterprise Budget	4,711,148	4,296,789	4,568,674	4,407,439	4,622,692	4,628,412
<u>STEVENS ESTATE</u>						
Director	53,926	58,484	62,838	53,371	77,022	77,022
Other Compensation	<u>52,945</u>	<u>55,450</u>	<u>70,149</u>	<u>65,591</u>	<u>65,000</u>	<u>66,140</u>
Total Salaries	106,870	113,933	132,987	118,961	142,022	143,162
Expense	138,244	144,038	171,186	137,455	157,508	157,508
Indirect Cost	46,460	46,460	47,622	48,812	50,032	50,032
Transfer to Capital	0	0	0	0	125,000	125,000
Total Stevens Estate Budget	291,574	304,431	351,794	305,229	349,562	475,702
TOTAL ENTERPRISE FUNDS	9,888,217	9,202,306	10,309,354	9,529,985	9,945,148	10,088,134
*TOTAL ALL FUNDS	89,517,548	90,329,509	94,591,031	95,757,903	100,905,129	101,147,603.95

* Excludes Non Appropriated Expenses (i.e. State Assessments
& Overlay Provisions)

FIVE YEAR FINANCIAL FORECAST

Revenues and Expenditure Summary General fund Excluding Free Cash

	FY16-Adopted	FY17-EST	FY18-EST	FY19-EST	FY20-EST	FY21-EST
<u>REVENUES</u>						
Property Taxes	\$ 65,230,265	\$ 67,476,021	\$ 69,777,921	\$ 72,137,369	\$ 74,555,805	\$ 77,034,698
New Growth	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000
Debt Exclusion	\$ 1,867,461	\$ 1,853,589	\$ 1,842,680	\$ 590,633	\$ 345,549	\$ 334,899
Total Tax Revenue	\$ 67,697,726	\$ 69,929,610	\$ 72,220,601	\$ 73,328,002	\$ 75,501,354	\$ 77,969,597
Local Receipts	\$ 9,068,334	\$ 9,550,111	\$ 9,836,615	\$ 10,131,713	\$ 10,435,665	\$ 10,748,735
State Aid	\$ 9,595,512	\$ 10,329,129	\$ 10,587,357	\$ 10,852,041	\$ 11,123,342	\$ 11,401,426
 Total Operating Revenues	 \$ 86,361,572	 \$ 89,808,850	 \$ 92,644,573	 \$ 94,311,756	 \$ 97,060,359	 \$ 100,119,758
Operating Transfers/Other	\$ 1,551,390	\$ 1,588,365	\$ 1,628,074	\$ 1,668,775	\$ 1,710,495	\$ 1,753,257
Total Revenue	\$ 87,912,961	\$ 91,397,215	\$ 94,272,647	\$ 95,980,532	\$ 98,770,854	\$ 101,873,015
<u>EXPENSES</u>						
General Government	\$ 4,550,840	\$ 4,710,119	\$ 4,874,974	\$ 5,045,598	\$ 5,222,194	\$ 5,404,970
Group Health	\$ 10,202,420	\$ 10,585,011	\$ 11,325,962	\$ 12,118,779	\$ 12,967,093	\$ 13,874,790
Other Personnel Benefits	\$ 5,296,391	\$ 5,714,252	\$ 6,171,392	\$ 6,665,104	\$ 7,198,312	\$ 7,774,177
Other Non-Departmental	\$ 1,912,178	\$ 2,088,716	\$ 2,172,265	\$ 2,259,155	\$ 2,349,521	\$ 2,443,502
Debt Service	\$ 5,858,518	\$ 6,313,214	\$ 6,731,076	\$ 5,522,423	\$ 5,540,740	\$ 5,646,311
Public Works	\$ 4,482,958	\$ 4,648,827	\$ 4,811,536	\$ 4,979,940	\$ 5,154,238	\$ 5,334,636
Schools	\$ 43,612,479	\$ 45,226,141	\$ 46,809,056	\$ 48,447,373	\$ 50,143,031	\$ 51,898,037
Support Services	\$ 1,564,360	\$ 1,626,934	\$ 1,683,877	\$ 1,742,813	\$ 1,803,811	\$ 1,866,945
Public Safety	\$ 10,432,514	\$ 10,818,517	\$ 11,197,165	\$ 11,589,066	\$ 11,994,683	\$ 12,414,497
Total Expenses	\$ 87,912,658	\$ 91,731,732	\$ 95,777,303	\$ 98,370,250	\$ 102,373,623	\$ 106,657,865
 Surplus/(Deficit)	 \$ 303	 \$ (334,517)	 \$ (1,504,655)	 \$ (2,389,718)	 \$ (3,602,769)	 \$ (4,784,850)

FACILITIES MASTER PLAN PROJECTS

New Fire Station



FY17
CAPITAL IMPROVEMENT PROGRAM



Town of North Andover

• Office of the
Town Manager
North Andover Town Hall
120 Main Street
North Andover, MA 01845
e-mail:
amaylor@townofnorthandover.co



Andrew W. Maylor
Town Manager

Telephone (978)688-9510
Fax (978)688-9556

December 9, 2015

Chairman Watson and the North Andover Board of Selectmen

Dear Board Members:

Pursuant to Chapter 9, Section 5 of the Town Charter, I hereby submit to you for your consideration the Town Manager's recommended Capital Improvement Plan (CIP) for the General Fund and the Town's Enterprise Funds for FY17 through FY21. The evaluation of CIP requests remains true to the process of prior years in that each project is rated and scored based upon accepted ranking criteria.

At your strategic planning meeting held this past October, you once again affirmed the town's common goal to continue to implement practices which will result in establishing a sustainable municipality and ensure the stewardship of town assets. This Capital Improvement Program is predicated on achieving that goal by requesting funding which helps maintain our infrastructure and increases our ability to efficiently deliver services while controlling debt service as a percentage of operating revenues. It is also a primary tenet of the plan to compel department heads to think beyond the immediate term and focus on mid-range needs as well.

Specifically, this CIP requests funding for annual building maintenance, roadway improvements, the adopted Facilities Master Plan, various rolling stock, playground improvements, and information technology enhancements. Consistent annual capital investments in each of these categories will prevent us from returning to the days of deferred maintenance and reactionary responses to projects which could easily have been part of the "plan".

For the foreseeable future, I will continue the practice of remaining focused on controlling debt service as a percentage of operating revenue. Our target has been and continues to be at or below 5% unless circumstances arise, such as increased interest rates, which adversely impacts the

Town's ability to do so. It should be noted that this calculation does not include either the debt service of the ESCo project or the corresponding reduction in utility costs associated with that initiative. The recommended General Fund CIP for FY17 results in a debt service to revenues percentage of 4.39% which is slightly higher than FY16 when that percentage was 4.10%. For four of the five years of the CIP this percentage remains below the 5% target even when including the ESCo project and five out of five years when excluding that debt service. Given the additional spending on facilities related projects during the past five fiscal years and for the foreseeable future, the debt service to revenues percentage is trending upward.

The previous target percentage for the Enterprise Funds was between 25%-28% of revenues. However, with the strong growth in retained earnings in these funds combined with the Financial Reserve Policy guidelines for using retained earnings, a significant portion of the proposed capital projects in these funds will be funded on a pay-as-you-go basis which will further reduce the percentages. For all five years of the CIP the debt service to revenue ratios for both the Water and Sewer Enterprise Funds will be lower than the target, in some cases substantially. All debt service calculations assume a cost of capital of over 4% which is at least 75 basis point greater than current market.

Additionally, this plan continues the practice begun three years ago to increase "pay-as-you-go" funding of capital projects. Therefore, the CIP assumes that all requests which comply with the criteria to be considered a capital project, but cost less than \$50,000, will be included in the operating budgets of the respective requesting departments. Although, the \$25K minimum standard in our policy for a project to qualify as a CIP item is appropriate, altering the past practice when the budget allows is a sound financial practice.

This CIP retains the enhancements made in previous years by including information on other sources of funding that are used for projects, such as state funded Chapter 90 dollars to be used to improve roadways, the use of Capital Stabilization funds, the repurposing of unused bond proceeds, and the use of retained earnings for various Enterprise Fund projects. In a similar vein, this year the CIP includes the use of modest amounts of "Free Cash" which is a reflection of the town's current positive financial position.

The recommended CIP for FY17-FY21 calls for total funding during the five year period of \$33,465,757 with \$24,890,757 of this total dedicated to General Fund projects, \$6,975,000 for projects in the Water Enterprise Fund, \$1,300,000 for the Sewer Enterprise Fund, and \$300,000 for Stevens Estate projects. Of this amount \$8,539,800 will be funded from outside sources, with the remainder of \$24,925,957 being bonded for periods ranging from 5 years to 20 years depending on the type of project or equipment.

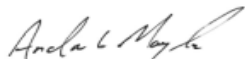
For FY17, General Fund Projects have a total cost of \$ 7,732,757 (\$ 6,697,957 net of outside sources). The Water Enterprise Fund requests total \$475,000 all of which will be funded by retained earnings and in FY17. The Sewer Enterprise Fund recommendation is \$150,000 that will also be funded by retained earnings per the Town's Financial Reserve Policy. Funding of the approved Facilities Master Plan continues through FY19. With the recent opening of the new central fire station the town has now completed the first three "Phases" of this unique plan and the FY17 appropriation request includes funding for improvements to the Public Works facility and dollars to design much needed additional classroom space for certain public schools. During this CIP five year

period, we will also expand the existing Senior Center and begin planning for Facilities Master Plan II.

With nearly \$6.5 million recommended for street and sidewalk improvements and repairs, the continued commitment to this category remains intact for this CIP. Notable within this CIP is the inclusion of capital improvements at the Stevens Estate. For the first time since the town purchased the Estate in 1995 the financial condition of the function facility warrants using excess retained earnings to reinvest in much needed repairs to the building. Also, the Capital Stabilization Fund established several years ago will allow for the planned replacement of the artificial turf fields at the high school. One of most significant differences in this plan versus last year's plan is the earlier timing of the significant work needed at the Water Treatment Plant based upon feedback from the town's engineers. Another difference is the FY17 addition of both a new mini bus for the Senior Center and the need to replace the Town's voting machines which were left off of last year's plan in the hopes that the could be funded through the operating budget.

I have been quoted as saying that "Just because our **Current** looks better than our **Past** doesn't mean that our **Future** is still not dependent on the decisions we make **Today**." The Five Year Capital Plan is at the heart of our commitment to be stewards of the community we are fortunate to serve. Gone are the days of excessive deferred maintenance. Our goal now must be a thoughtful plan for ensuring progress and sustainability while managing the financial impact of our investment so as not to adversely impact service levels. I would like to thank Finance Director/Town Accountant Lyne Savage and Assistant Town Manager Ray Santilli for their invaluable assistance in developing the CIP. Both Lyne and I are available to respond to any questions or requests for information that you may have.

Sincerely,



Andrew W. Maylor
Town Manager

Capital Improvement Program

Executive Summary

This section is from the Town Manager Recommended Capital Improvement Program submitted in December and which will be presented at the May 19, 2015 Annual Town Meeting.

In compliance with Section 5 of the Town Charter the Town Manager respectfully submits the following five-year Capital Improvement Program (CIP). The Town's annual program "Building for the Future" FY2016-2020 follows the planning framework established in last year's documents and sets forth North Andover's continued commitment to a coordinated multi-year capital asset investment program. The Fiscal Year 2016-2020 CIP is developed in a manner that lends itself to being useful as a budget and planning tool as well as a user friendly document to the reader. The CIP is a multi-year fiscal planning document that identifies long-term improvements to the Town's infrastructure and facilities and provides a program for prioritizing, scheduling and funding. It is comprised of two parts: a capital budget, which is the upcoming fiscal year's plan; and a capital program, which is a window into the capital needs of the community. It should be noted that the CIP is not a static process. The creation of this CIP is based on the best available information at the time of development with some projects requiring additional price and scope information. However, circumstances during the budget year and out-years, do change which may require a change in plan. This plan is a forward looking document designed to inform the community in the broadest possible way of the potential needs and demands they may be facing.

Capital Improvement Program

A capital improvement program is a fiscal planning tool that documents the Town's capital asset needs, ranks the needs in order of project priority, and schedules projects for funding and implementation. The CIP is a dynamic process and one that is likely to change from year to year. The process provides the opportunity to plan for major expenditures in the future while evaluating new and current projects based on up to date data. The CIP is a composite of the Town's capital needs, tempered by current and future financial capability.

What is a capital improvement?

A capital improvement is a major, non-routine expenditure for new construction, major equipment purchase, or improvement to existing buildings, facilities, land or infrastructure, with an estimated useful life of five (5) years or more, and a cost of \$25,000 or more.

Among the items properly classified as capital improvements are:

- ◆ New public buildings, or additions to existing buildings, including land acquisition costs and equipment needed to furnish the new building or addition for the first time;
- ◆ Major alterations, renovations, or improvements to existing buildings which extend the useful life of the existing buildings by five (5) years;
- ◆ Land acquisition and/or improvement, unrelated to a public building, but necessary for conservation or parks and recreation purposes;
- ◆ Major equipment acquisition, replacement or refurbishment, with a cost of at least \$25,000, and a useful life of at least five (5) years, including data processing equipment;
- ◆ New construction or major improvements to the Town's physical infrastructure, including streets, sidewalks, stormwater drains, the water distribution system, and the sanitary sewer system, which extend the useful life of the infrastructure by at least five (5) years, and
- ◆ A feasibility study or engineering design services which are related to a future capital improvement.

What are the benefits of a capital improvement program?

- ◆ Facilitates coordination between capital needs and the operating budgets;
- ◆ Enhances the community's credit rating through improved fiscal planning and avoids sudden changes in its debt service requirements;
- ◆ Identifies the most economical means of financing capital projects;
- ◆ Increases opportunities for obtaining federal and state aid;
- ◆ Relates public facilities to the Town's strategic plan or public and private development and redevelopment policies and plans;
- ◆ Focuses attention on community objectives and fiscal capacity;
- ◆ Keeps the public informed about future needs and projects;

- ◆ Coordinates overlapping units of local government to reduce duplication, and encourages careful project planning and design to avoid costly mistakes and reach goals.

Creating the Capital Improvement Program

The Town developed an administrative process that established policies and procedures for submitting and evaluating projects. This includes:

- ◆ Instructions for identifying and submitting projects;
- ◆ A schedule for the submission of projects, and
- ◆ A method of evaluating and ranking projects.

Process Overview

The following steps guide the capital plan process:

- ◆ The Town Manager sets a schedule for completing the CIP process;
- ◆ The status of previously approved projects are determined;
- ◆ Project requests are solicited and entered into the Town's CIP automated software system;
- ◆ Town Manager reviews and evaluates each project in accordance with ranking methodology;
- ◆ A recommended method of financing is proposed for each project;
- ◆ The Town Manager informs departments as to the approved priority of projects;
- ◆ The Town Manager submits the proposed CIP to the Board of Selectmen and Finance Committee;
- ◆ Finance Committee hold public hearings on the Town Manager's recommendations;
- ◆ Board of Selectmen and Finance Committee adopt CIP program;
- ◆ Town Manager submits annual capital article for Town Meeting authorization.

Capital Program Categories

In an effort to gain consistency in categorizing and evaluating projects this program is divided into the following five "Program Categories".

Land - The acquisition through purchase, long term lease, with or without conditions, of undeveloped real estate. If the acquisition of land is associated with the acquisition of a building or an infrastructure project, the project should be categorized in those respective categories.

Building - The replacement, renovation, addition to, construction or acquisition through purchase or long-term lease of a building structure or a major component thereof.

Infrastructure – This category would include such things as water and sewer pipes, pumping stations, roadwork, sidewalks, traffic signals, drainage systems and other improvements of a lasting nature but not related to building structures.

Equipment (Rolling) – All equipment that meets the definition of a capital project item that is capable of self-propulsion from one location to another.

Equipment (Non-rolling) – All other equipment that meets the definition of a capital project item. The item may be transportable, however, if it is capable of moving under its own power it should be classified under “Equipment (rolling)”. If the item is a piece of equipment that is intended to be permanently installed in a building such as an air conditioner or a furnace, that item should be classified under “Building”.

Capital Program Priorities

Given the current budgetary environment that limits the amount of funds available each year for capital projects, it is necessary to prioritize the capital requests so as to stay within the Town’s financial capabilities. To this end the Town will follow the same system utilized in last year’s program that seeks to numerically rate projects based on six weighted criteria including overall fiscal impact, legal mandates, advancement of the Town master plan, impact on service to the public, urgency of maintenance needs, whether prior phases have been funded and division priority. Generally, the project receiving the highest number of points is funded first, then the project with the next highest score is funded next, and so on until the pool of available funds is depleted for that particular fiscal year with departures from this method allowed for multi-year projects and/or large building projects. This disparity is necessary because large building projects often times receive high priority but if they were to be funded in one year the resulting debt service would exceed prudent debt limits. Therefore these types of projects are distributed throughout the five year plan and certain large-scale projects may require a proposition 2 ½ exemption vote in an attempt to avoid overwhelming the tax levy limit. The process is then repeated in subsequent years.

In addition, a capital budget plan is a fluid document subject to change each year as priorities change and additional information is becomes available. As a result, a project, which had a priority score in a previous edition of the capital plan, may have a different score in subsequent year updates. After the first year of the capital plan, the information provided in the subsequent years is not so much to provide as a formal “pecking

order”, but instead to identify trends far enough in advance to address problems in a rational and timely manner.

Capital Program Fund Impacts

One of the most difficult challenges facing the Town today is to establish an investment in its capital assets while successfully managing the financial impact on both the General and Enterprise Fund budgets. In light of the importance of creating this planned program of infrastructure repair and replacement, the Town is committed to maintaining an annual Capital Budget, with the goal of reversing the effects of years of deferred maintenance.

In keeping with the adopted financial policies that recommend a limit of net debt service to between 3-5% of the Town’s net revenues. Net debt and net revenue represents the total debt service/revenue less amounts authorized as excluded from proposition 2 ½ and School Building Assistance.

While these levels are subject to change given the nature of the CIP process, the FY2016-2020 CIP includes general fund project requests totaling approximately \$27.4 million over the five years of which \$6.2 million will be authorized in Fiscal Year 2016. Enterprise Funds CIP request totaled approximately \$7.8 million over five years of which \$1.5 million will be authorized in Fiscal Year 2016. The financial impact of the CIP on the General and Enterprise Funds debt service are discussed below.

Debt Service Impact on the General Fund

In an effort to balance the cost of debt service throughout the program, projects regardless of departmental ranking are placed in outlying years. Also consistent with this methodology some “major” projects were placed in outlying years regardless of manager and departmental ranking and certain large scale projects may require a proposition 2½ exemption vote in an attempt to avoid overwhelming the tax levy limit.

The table below outlines the projected costs of General Fund Debt Service resulting from this CIP and the funding plan adherences to the Town debt policy.

Information provided on the following chart are projected revenues used to prepare the FY16-FY20 Capital Improvement Plan.

Revenue Summary	Actual FY 2013	Actual FY 2014	Actual FY 2015	Actual FY 2016	Adopted FY 2017
Property Taxes (Net of Debt Exclusions)	58,848,875	60,854,551	62,564,594	64,804,918	68,076,021
Debt Exclusions	1,771,640	1,742,045	1,705,849	1,867,462	1,853,590
Tax Title	174,857	608,698	348,217	739,443	0
Local Receipts	9,447,577	10,197,117	10,115,434	11,508,344	9,550,111
State Aid (Cherry Sheet)	9,076,332	9,435,925	9,624,631	10,274,315	10,329,129
State Aid (MSBA)	412,131	412,131	412,131	0	0
Interfund Operating Transfers	1,526,297	1,543,374	1,576,648	1,551,391	1,588,365
Reserves and One Time Revenues	473,063	396,868	493,748	438,028	0
Free Cash	1,117,710	0	838,000	1,435,760	0
					-17.02%
Total All Revenue	82,848,482	85,190,708	87,679,252	92,619,661	91,397,215
General Fund Obligation Debt Service	6,333,589	6,331,415	5,561,874	5,858,518	5,576,151
P/Y Authorized CIP Unissued	0	0	0	0	632,239
Less GLSD Credit for Police Station Debt	-138,322	-141,336	-143,103	-144,892	-146,703
Less School Comm. Programs to Pre-School Debt	-64,200	62,700	-61,350	0	0
Less Esco Project Debt Service	0	0	0	0	0
Subtotal	6,131,067	6,252,779	5,357,421	5,713,626	6,061,687
New Excluded CIP	0	0	0	0	0
New Non- Excluded CIP	0	0	0	0	0
Total Debt Service	6,131,067	6,252,779	5,357,421	5,713,626	6,061,687
Less:					
Debt Exclusions (Existing and Proposed)	1,840,566	1,810,971	1,774,775	1,936,388	1,922,516
-Excluded SBA Reimbursement	0	0	0	0	0
- Debt Exclusion Adjustment	0	0	0	0	0
- SBA State Reimb - interest on H/S	-68,926	-68,926	-68,926	-68,926	-68,926
- Bond Premium					
Net Exclusions	1,771,640	1,742,045	1,705,849	1,867,462	1,853,590
Total Debt Service	6,131,067	6,252,779	5,357,421	5,713,626	6,061,687
Less: Debt Exclusions	-1,840,566	-1,810,971	-1,774,775	-1,936,388	-1,922,516
Net Debt Service (Non Excluded Debt)-less credits glsd & Sch	4,290,501	4,441,808	3,582,646	3,777,239	4,139,171
Increase of Net Debt Service over PY	353,967	151,307	-859,162	194,593	361,933
Estimated Total Revenue	82,848,482	85,190,708	87,679,252	92,619,661	91,397,215
Less:					
Reserves and One Time Revenues	-473,063	-396,868	-493,748	-438,028	0
Debt Exclusions	-1,840,566	-1,810,971	-1,774,775	-1,936,388	-1,922,516
Free Cash	-1,117,710	0	-838,000	-1,435,760	0
Non-excluded SBA	-412,131	-412,131	-412,131	0	0
Net Revenue	79,005,012	82,570,739	84,160,598	88,809,485	89,474,700
Net Debt Ratio	5.43%	5.38%	4.26%	4.25%	4.63%

TOWN OF NORTH ANDOVER
CAPITAL IMPROVEMENT PROGRAM
SUMMARY OF FY17 RECOMMENDED CAPITAL IMPROVEMENT PROJECTS

Purpose	FY17 Department Request	FY17 Adopted	Funding Sources	Other Funding Sources
Public Works				
Roadway Improvements	1,230,000	1,230,000	Bond	Chapter 90
Sidewalk Reconstruction	75,000	75,000	Bond	Special Revenue Funding
Equipment - Sweeper	197,000	185,000	Bond	
Water & High St Intersection Improvements	350,000	325,000	Bond	
6 Wheel Dump Truck	185,000	180,000	Bond	
	2,037,000	1,995,000		
Facilities				
Building Maintenance	225,000	225,000	Bond	
	225,000	225,000		
Town Manager / Selectmen				
Facilities Master Plan Implementation	4,620,885	4,620,885	Bond	
Playground Improvements (Townwide)	50,000	50,000	Bond	
	4,670,885	4,670,885		
Fire Department				
Intergrated Public Safety Reporting System	208,875	208,875	Bond	
Replace Ambulance	268,197	268,197	Bond	
	477,072	477,072		
Information Technology				
Municipal IT (FY17-FY21)	50,000	50,000	Bond	
School IT (FY17-FY21)	100,000	100,000	Bond	
	150,000	150,000		
Replacement of Mini Van - Senior Center	52,000	52,000		Free Cash
Voting Machines - Town Clerk	62,800	62,800		Free Cash
	114,800	114,800		
Education				
Sport Turf Field Surface Replacement	100,000	100,000	Bond	
	100,000	100,000		
Total General Fund Capital Projects	7,774,757	7,732,757		
Water				
Ozone System, Clearwell Baffles & Detention Tank Upgrade	200,000	200,000	R/A	Water Fund - Retained Earnings
Chemical Storage Tank and Feed System Improvements	175,000	175,000	R/A	Water Fund - Retained Earnings
Valuve & Hydrant Replacement	100,000	100,000	R/A	Water Fund - Retained Earnings
Subtotal Water	475,000	475,000		
Sewer				
Improvements to various Pump Stations	150,000	150,000	R/A	Sewer Fund- Retained Earnings
Subtotal Sewer	150,000	150,000		
Total Enterprise Fund Capital Projects	625,000	625,000		
Total All Capital Projects	8,399,757	8,357,757		
Less Retained Earnings	(\$739,800)	(\$739,800)		
Less Chapter 90 Funding	(\$820,000)	(\$820,000)		
Less Capital Stabilization	(\$100,000)	(\$100,000)		
Total Projected Bond Issue	6,739,957	6,697,957		

GENERAL FUND CAPITAL PROJECTS - FIVE YEAR SUMMARY

Project Name	Division	Borrowing Years	Year 1 FY17	Year 2 FY18	Year 3 FY19	Year 4 FY20	Year 5 FY21	Total
<u>GENERAL FUND 5 YEAR CIP</u>								
Municipal IT (FY17-FY21)	Information Tech	5	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
VOIP Phone System Upgrade	Information Tech	5					\$100,000	\$100,000
Voting Equipment Replacement	Town Clerk	Free Cash	\$62,800					\$62,800
Building Maintenance (FY17-FY21)	Facilities	5	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$1,125,000
Sport-Turf Field Surface Replacement	School	10	\$100,000	\$750,000				\$850,000
School IT (FY17-FY21)	School	5	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Atkinson Elementary Roof	School	10			\$464,500			\$464,500
District Wide Paving	School	10					\$200,000	\$200,000
School Drainage	School	10					\$100,000	\$100,000
Roadway Improvements (FY17-FY21)	Public Works	5	\$1,230,000	\$1,210,000	\$1,230,000	\$1,160,000	\$1,280,000	\$6,110,000
Sidewalks Reconstruction (FY17-FY21)	Public Works	10	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$375,000
Equipment - Sweeper	Public Works	10	\$185,000					\$185,000
Water & High St Intersection & Streetscape Improv	Public Works	10	\$325,000	\$475,000				\$800,000
6 Wheel Dump Truck	Public Works	5	\$180,000		\$200,000		\$200,000	\$580,000
Backhoe	Public Works	5			\$95,000			\$95,000
Replacement Mini Bus	Senior Center	Free Cash	\$52,000					\$52,000
Facilities Master Plan	Town Mgr	20	\$4,620,885	\$1,957,500	\$4,316,000			\$10,894,385
Playgrounds Improvements (townwide)	Town Mgr	10	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Facilities Master Plan Phase II	Town Mgr	20				\$100,000	\$250,000	\$350,000
Integrated Public Safety Reporting System	Fire	5	\$208,875					\$208,875
Replace Ambulance	Fire	10	\$268,197				\$300,000	\$568,197
Amkus Tools	Fire	5						
Replace Engine # 1	Fire	10			\$110,000			\$110,000
TOTAL GENERAL FUND			\$7,732,757	\$4,892,500	\$6,915,500	\$2,420,000	\$2,930,000	\$24,890,757

ENTERPRISE FUND CAPITAL PROJECTS - FIVE YEAR SUMMARY

WATER ENTERPRISE FUND 5 YEAR CIP

Ozone System	Water	Retained Earnings	\$200,000	\$2,200,000		\$2,400,000
Chemical Storage Tanks & Feed System	Water	Retained Earnings	\$175,000	\$225,000	\$370,000	\$1,190,000
Valve & Hydrant Replacement	Water	Retained Earnings	\$100,000		\$420,000	\$200,000
Water Main Replacement	Water			\$500,000		\$500,000
Interconnections	Water				\$100,000	\$200,000
Water Distribution Truck	Water			\$80,000		\$80,000
Bradford Standpipe Mixer	Water				\$150,000	\$150,000
WTP Backwash Tank Extension	Water				\$325,000	\$1,725,000
Sedimentation Basin Improvements	Water				\$300,000	\$300,000
WTP Lab Renovations	Water				\$50,000	\$50,000
WTP New Sludge Collections System	Water				\$180,000	\$180,000
TOTAL WATER			\$475,000	\$2,425,000	\$1,050,000	\$6,975,000

SEWER ENTERPRISE FUND 5 YEAR CIP

Improvements to various Sewer Pump Stations	Sewer	Retained Earnings	\$150,000	\$100,000	\$100,000	\$250,000	\$700,000
Sewer Collections System Improvements	Sewer				\$200,000		\$300,000
Osgood Street Sewer Preliminary Design	Sewer				\$300,000		\$300,000
TOTAL SEWER			\$150,000	\$100,000	\$200,000	\$600,000	\$1,300,000

STEVENS ESTATE ENTERPRISE FUND 5 YEAR CIP

Main House Improvements	Stevens	Retained Earnings	110,000	60,000	45,000	20,000	255,000
Streetscape Improvements	Stevens	Retained Earnings	15,000	15,000	5,000	5,000	45,000
TOTAL STEVENS ESTATE			\$125,000	\$75,000	\$50,000	\$25,000	\$300,000

**TOWN OF NORTH ANDOVER
PROJECT REQUEST RATING SHEET
DESCRIPTION OF RATING CRITERIA AND SCALES**

CRITERIA A-OVERALL FISCAL IMPACT

Weight 4

Rationale: Limited resources for competing projects require that each project's full impact on the Town's budget be considered in rating and evaluating projects. Projects that are self-funded or have a large proportion of external funding will receive higher ratings than those that do not.

Considerations: Ratings for this factor will consider these major points:

- A. Capital cost of the project relative to all other project requests.
- B. Impact of project on Town operating costs and personnel levels.
- C. Whether project requires Town appropriations or is funded from agency, grant funds, matching funds, or generated revenue.
- D. Impact on Town tax revenue or fee revenue.
- E. Will external funding be lost should project be delayed?

Illustrative Ratings:

- 5-Project requires less than 10% Town funding.
- 4-Project requires less than 50% Town funding.
- 3-Project requires more than 50% Town funding, decreases operating costs and increases Town revenues.
- 2-Project requires more than 50% Town funding, increases operating costs and increases Town revenues.
- 1-Project requires more than 50% Town funding, decreases operating costs and decreases Town revenues.
- 0-Project requires more than 50% Town funding, increases operating costs and decreases Town revenues.

CRITERIA B-LEGAL OBLIGATIONS AND COMPLIANCE WITH MASTER PLAN

Weight: 4

Rationale: Some projects are virtually unavoidable due to court orders, federal mandates, or state laws that require their completion. In addition, projects that advance the stated goals of the Town's Master Plan should receive higher consideration than those that don't. This criterion evaluates both the severity of the mandate and the degree of adherence to the Town's Master Plan.

Considerations: Ratings for this factor will consider these major points:

- A. Whether an agency is under direct court order to complete this project.

- B. Whether the project is needed to meet requirements of federal or state legislation.
- C. Whether the project advances one or more of the goals of the Town Master Plan.

Illustrative Ratings:

- 5-Agency currently under court order to take action.
- 4-Project is necessary to meet existing state and federal requirements.
- 3-Project advances more than one of the goals of the Town's Master Plan.
- 2-Project advances one of the goals of the Town's Master Plan.
- 1-Legislation under discussion could require project in future.
- 0-No legal or Master Plan impact or requirements.
- 1-Project requires change in state law to proceed.
- 2-Project requires change in federal law to proceed.

CRITERIA C-IMPACT ON SERVICE TO THE PUBLIC

Weight: 3

Rationale: Consideration will be given to capital projects that address health, safety, accreditation or maintenance issues as well as improved service of an agency. Service is broadly defined, as the Town's objective to meet the health, safety or accreditation needs of the population and/or improved operations of an existing department.

Considerations: Ratings for this factor will consider these major points:

- A. Whether the service is already being provided by existing agencies.
- B. Whether the project has immediate impact on service, health, safety, accreditation or maintenance needs.
- C. Whether the project focuses on a service that is currently a "high priority" public need.

Illustrative Ratings:

- 5-Service addresses an immediate public health, safety, accreditation, or maintenance need.
- 4-Service is improved and addresses a public health, safety, accreditation, or maintenance need.
- 3-Service is greatly improved.
- 2-Service is improved.
- 1-Service is minimally improved and addresses a public health, safety, accreditation, or maintenance need.
- 0-Service is minimally improved.

CRITERIA D-URGENCY OF MAINTENANCE NEEDS

Weight: 3

Rationale: The Town's most immediate goal in both capital and operating finance is to maintain current services expected by citizens, businesses, and visitors. Capital projects that are essential to maintain service, protect investment, or restore service that has been interrupted due to failure of capital assets will receive the highest rating in this criterion.

Considerations: Ratings for this factor will consider these major points:

- A. Whether service is currently interrupted.
- B. Whether the project as requested will result in full restoration of service.
- C. Whether the project is the most cost-effective method of providing or maintaining service.
- D. Where service is not currently interrupted, the likelihood that it will be in the next five years if the project is not funded.
- E. Whether costs of the project will increase (beyond inflation) if the project is delayed.
- F. Whether the agency has prepared a comprehensive maintenance/rehabilitation/replacement schedule and the project is due under that schedule.

Illustrative Ratings:

5-Service is currently interrupted and the project will restore service in the most cost-effective manner possible.

4-Service is likely to be disrupted in the five-year horizon if project is not funded.

3-Project is necessary to maintain orderly schedule for maintenance and replacement.

2-Cost of Project will increase in future (beyond inflation) if it is delayed at this time.

1-Minor risk that cost will rise or service will be interrupted if project is not funded.

0-There is no financial or service risk of delaying or not funding the project (e.g., the project is new and has no impact on current service).

CRITERIA E – PRIOR PHASES

Weight: 2

Rationale: Some projects need to be developed in phases due to their complexity of size. In such cases, the need has already been established by prior commitment of funds to existing projects. Therefore, continuation of the project will be given higher consideration:

Considerations: Ratings for this factor will consider these major points:

- A. Whether the project has received prior funds.
- B. Whether the project requires additional funding to be operational.

Illustrative Ratings:

5-All but the final phase has been fully funded.

4-Multiple phases have been fully funded.

- 3-Multiple phases have been partially funded.
- 2-First phases has been fully funded.
- 1-First phase has been partially funded.
- 0-No prior phases have been funded or partially funded.

CRITERIA F – DEPARTMENTAL PRIORITY

Weight: 2

Rationale: Divisions are expected to provide an indication of which projects are most important to their mission.

Considerations: Ratings for this factor will consider these major points:

- A. Departmental ranking of each individual project.
- B. The total number of project requests that are tuned in by entities.

Illustrative Ratings:

- 5-Top 20% of highest departmentally ranked project requests.
- 4-20% of next highest departmentally ranked project requests.
- 3-20% of next highest departmentally ranked project requests.
- 2-20% of next highest departmentally ranked project requests.
- 1-Bottom 20% of all project requests.

**CAPITAL IMPROVEMENT PROGRAM
FY 17 PROJECT DETAILS**



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Information Technology
Department: Information Technology
Project: Municipal IT (FY17-FY21)
Project Category: Infrastructure
Project Type: Vehicle/Equipment (including "General IT")

Priority: 2
Type: Replacement
Cost Basis: Previous Purchase
Asset Class: Class 1

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$250,000.00

Funding Source	Funding Amount	Submitted by:
General Fund	\$25,000.00	Chris McLure
Other	\$25,000.00	
Total	\$50,000.00	

Title:
Date: 10/27/2015

Description

This updates the current annual IT capital plan.

To be split funded from General fund and PEG capital and operating funds.

Continued upgrades, maintenance and support of town wide fiber network, switches, routers, firewalls, wifi management and other related items.

Continued investment in upgrading from 1-10gb uplinks. Replacement plan for core and network switches and firewalls.

Continued investment in improving wifi management infrastructure.

Justification

Our network is the most critical component of an efficient, secure and successful technology plan.

The network connects us to each other and the cloud to allow us to work while keeping out security threats.

As we rely more and more on the cloud and centralized resources, the network allows us to realize the full potential of our investments.

Description of item to be replaced

Similar to the workstation and server replacement plans, network components (switches, routers, firewalls...) are evaluated and replaced on a rolling schedule.

Items are replaced due to obsolescence or to facilitate needed performance upgrades (i.e faster internal or internet speeds.)

In some cases, the fiber network itself may be expanded or modified to meet the current town needs. In FY2016, for example, Stevens Estate and the Bradford tower were added to the fiber network along with the new fire station.

Schedule for completion of project

Routine Network upgrades are generally scheduled for July and August. Project based upgrades are scheduled according to the project.

Estimated value of replaced item: \$0.00

NET Estimated Annual Impact: \$0.00

Explanation

The cisco smartnet budget is currently adequate to support equipment as it enters and leaves our network.



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Administration
Department: Town Clerk
Project: Voting Equipment Replacement
Project Category: Equip (non-Rolling)
Project Type: Vehicle/Equipment (including "General IT")

Priority: 1
Type: Replacement
Cost Basis: Vendor Quote
Asset Class: Class 1

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$62,800.00	\$0.00	\$0.00	\$0.00	\$0.00	\$62,800.00

Funding Source	Funding Amount	Submitted by:
General Fund	\$62,800.00	Joyce Bradshaw
Total	\$62,800.00	Title: Town Clerk
		Date: 10/27/2015

Description

This project seeks to replace the existing voting machines which have been used since 1995. The Image Cast Optical Scan Tabulator has been certified by the Massachusetts Secretary of the Commonwealth. The Optical Scan tabulator is a trustworthy replacement of our existing Accu-vote machines. LHS is an excellent vendor as is easily accessible for maintenance and service. This is a resubmitted request from FY16.

Justification

After 20 years of use I feel we need to replace existing equipment to maintain excellent voting performance. We need to have reliable equipment with almost 19,000 voters. The use of the machines when authorized and able to be purchased would be used for the next scheduled election after CIP approval and purchase. Demonstration of the machine reinforced ease of use and similarity to existing Accu-vote machines.

Description of item to be replaced

8 ICP Tabulators - Precincts 1-8 Spare Tabulator
(Currently 9 Accuvote Machines)

Election Reporting Software - Results Reporting RTR Software Package to provide results at polls directly from voting machines. (Currently GEMS software system for end of day tallying)

Schedule for completion of project

Approval of this request when appropriate in the CIP would be complete when funding is approved and available for purchase.

Estimated value of replaced item: \$4,000.00

NET Estimated Annual Impact: \$780.00

Explanation

Annual RTR Software License - Not necessary on current machines.



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Facilities
Department: Facilities - Municipal
Project: Building Maintenance (FY17-FY21)
Project Category: Building
Project Type: Building Maintenance

Priority: 1
Type: Replacement
Cost Basis: Previous Purchase
Asset Class: Select One

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$225,000.00	\$225,000.00	\$225,000.00	\$225,000.00	\$225,000.00	\$1,125,000.00

Funding Source	Funding Amount	Submitted by:
General Fund	\$225,000.00	Steve Foster
Total	\$225,000.00	Title: facilities director
		Date: 10/26/2015

Description

annual funding of building capital needs account

Justification

replacement of capital assets which have reached their end of life expectancy

Description of item to be replaced

capital assets to be replaced include;
boilers & mechanical eqt.
roofs
building system components (eg: fire alarm panels, hot water heaters, etc.)

Schedule for completion of project

replace during FY

Estimated value of replaced item: \$0.00

NET Estimated Annual Impact: \$0.00

Explanation



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Education

Priority: 3

Department: School Department

Type: Replacement

Project: Sport-Turf Field Surface Replacement

Cost Basis: Arct/Eng

Project Category: Land

Asset Class: Select One

Project Type:

FY2016	FY2017	FY2018	FY2019	FY2020	Total
\$0.00	\$0.00	\$850,000.00	\$0.00	\$0.00	\$850,000.00

Funding Source

Funding Amount

Submitted by: Jim Mealey

General Fund

\$850,000.00

Title: Assistant Superintendent for
Finance and Operations

Total \$850,000.00

Date: 10/28/2014

Description

Replacement of the surface layer of the two sport-turf fields at the North Andover High School.

Justification

These surfaces are part of the original construction of the field system completed in 2004. Useful life was projected from 8 to 10 years. The fields have been well-maintained and do not yet exhibit any degradation, so we anticipate we will not have to replace until FY2017. Estimates vary on the cost of replacement, but average at this time \$750,000.

Description of item to be replaced

The top surface of these fields consist of a syntheitic grass and rubber modules that is rolled out in sections and fit together to form the playing surface.

Schedule for completion of project

Invitation for Bids would go out early in 2016, with selection of the vendor by June, 2016. Work would begin July 1, 2016 and be completed by September 1, 2016.

Estimate based on conversation with Bill Seymour from Gale Associates, the original engineer. Replacements are running at \$4.50 per sq. ft. Our total square footage is 188,145 sq. ft.

Estimated value of replaced item: \$850,000.00

NET Estimated Annual Impact: \$0.00

Explanation

This is a replacement item, so would result in no change in annual costs.



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Information Technology
Department: IT - Schools
Project: School IT (FY17-FY21)
Project Category: Infrastructure
Project Type: Building Maintainance

Priority: 2
Type: Replacement
Cost Basis: Other
Asset Class: Select One

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$100,000.00	\$100,000.00	\$100,000.00	\$200,000.00	\$200,000.00	\$700,000.00

Funding Source	Funding Amount
General Fund	\$700,000.00
Total	\$700,000.00

Submitted by: Jim Mealey
Title: Assistant Superintendent for Finance and Operations
Date: 10/20/2015

Description

Annual funding to maintain IT wireless network, server and data integration, and internet capacity at all schools and central office.

Justification

Total value of IT infrastructure asset is about \$1,000,000. At \$100,000 per year this is a lifecycle replacement time frame of 10 years. 5 years is more realistic, so the annual amount is increased to \$200,000 starting in FY20.

Description of item to be replaced

All of the equipment that provides IT wireless network, server and data integration, and internet capacity at all schools and central office.

Schedule for completion of project

Annual

Estimated value of replaced item: \$0.00

NET Estimated Annual Impact: \$0.00

Explanation



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Public Works
Department: DPW Street & Sidewalks
Project: Roadway Improvements FY 17 - FY 21
Project Category: Infrastructure
Project Type: Roadways/Sidewalks

Priority: 1
Type: Improvement
Cost Basis: Other
Asset Class: Select One

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$1,230,000.00	\$1,210,000.00	\$1,230,000.00	\$1,160,000.00	\$1,280,000.00	\$6,110,000.00

Funding Source	Funding Amount
State Grant	\$4,020,000.00
General Fund	\$2,090,000.00
Total	\$6,110,000.00

Submitted by: Bruce Thibodeau

Title: Director

Date: 10/15/2015

Description

The request is for roadway improvements on various streets to upgrade the conditions of the Town's infrastructure. The funds included both the state Chapter 90 monies and the local fund request that DPW uses to supplement the annual Chapter 90 funds from the State. The work will consist of crack sealing, milling existing paving and repaving, or reclaiming depending on the specific needs determined by the Pavement Management Study/Plan. Also, projects may require grading, drainage improvements, repair of curbing and sidewalks where road construction improvements are being done. Attached is a spreadsheet identifying specific streets, repair method for both the projects identified for Chapter 90 funds and Local funds being requested under this CIP request for the next five years. The Pavement Management Study/Plan investigated all roads in Town, rated condition of roads, identified repair methods, and costs. The Plan allows staff to develop projects, repair methods, and costs as well as ability update plan going forward as projects are done.

Justification

Currently the Town receives approximately \$700,000 to \$800,000 annually from Chapter 90 funds, which is consistent with similar municipalities in size and number of road miles. Chapter 90 is the only regular source that a town has for funding roadway improvements if local funds are not appropriated. If the Town relies only on Chap. 90 it can never fund all the improvements needed to prevent the roadway system deteriorating to a point where it will cost increasing amounts to improve. Each dollar spent now on good, fair or poor roads can prevent spending excessive amounts later, if delayed, when the roads have deteriorated further. The goal here is to supplement the Chap. 90 funding now on local roads (side streets) where Chap. 90 money is used for collectors and major arteries (Salem St. or Mass. Ave.) otherwise we could never get to these roads.

Description of item to be replaced

Improvements to existing roadways.

Schedule for completion of project

The schedule is to complete the work in the fiscal year that the funds are appropriated barring any unforeseen issues or adverse weather conditions. Contracts for utility work, milling, reclaiming, paving, and stripping are bid every three years during the winter months. Therefore, there will be no need for preparation of specifications or waiting for bids to be received. Once the funds are appropriated companies under contract will prepare estimates based on bid prices in the three year contracts, purchase orders will be issued and the work scheduled. Some work will be completed in the summer/fall construction season (July to November) and completion of the remaining work will be done in the spring season (April to June). Similar types of work, such as roads for milling and overlay, will be bundled together to reduce costs.

Estimated value of replaced item: \$1.00

NET Estimated Annual Impact: \$10,000.00

Explanation

In addition to upgrading the infrastructure, improvements will reduce the amount of time and effort repairing deteriorating roads. Currently a 3 person crew spends three days a week from April to June repairing pavement. Costs for this repair work range from \$10,000 to \$20,000 annually for patching asphalt, which is the least efficient method of repairing roads. We receive between 15 to 20 claims per year for damage due to potholes. It is estimated that with an effective pavement management program we can reduce this patching costs to \$5,000 to \$10,000 annually and claims to fewer than 5.



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Public Works
Department: DPW Street & Sidewalks
Project: Sidewalk Reconstruction FY 17 - FY 21
Project Category: Infrastructure
Project Type: Roadways/Sidewalks

Priority: 2
Type: Improvement
Cost Basis: Other
Asset Class: Select One

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$75,000.00	\$75,000.00	\$75,000.00	\$75,000.00	\$75,000.00	\$375,000.00

Funding Source	Funding Amount	Submitted by:
General Fund	\$325,000.00	Bruce Thibodeau
Other	\$50,000.00	Title: Director
Total	\$375,000.00	Date: 10/15/2015

Description

Reconstruct existing sidewalks in the older sections of Town with priority given to school areas and elderly housing areas. Attached is a list of priorities and costs based on the current sidewalk contractor pricing. Some funds will come from the Sidewalk Construction Special Revenue Fund, which is mitigation money provided by developers. The remainder is being requested from general fund CIP.

Justification

There are many locations where sidewalks have deteriorated because of age, frost heaving and encroachment of roots from trees planted adjacent to sidewalks. The program would eliminate the walking hazards of the uneven sidewalks. Costs are based on the current sidewalk construction contract.

Description of item to be replaced

Existing Town infrastructure see above.

Schedule for completion of project

All work will be done in the fiscal year of appropriation depending on weather conditions. Since three year construction contracts are existing no specifications or bidding is required. Once funds are available then estimates will be received from contractor, purchase orders prepared and work scheduled. Some sidewalk work will be done in the summer/fall construction schedule and other in the spring depending on impacts to school seasons or weather conditions.

Estimated value of replaced item: \$0.00

NET Estimated Annual Impact: \$5,000.00

Explanation

Will Reduce patching and reduce claims.



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Public Works
Department: DPW Fleet Maint
Project: Equipment- Sweeper
Project Category: Equip (Rolling)
Project Type: Vehicle/Equipment (including "General IT")

Priority: 3
Type: Replacement
Cost Basis: Vendor Quote
Asset Class: Select One

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$197,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$197,000.00

Funding Source	Funding Amount	Submitted by:
General Fund	\$197,000.00	Bruce Thibodeau
	Total \$197,000.00	Title: Division Director
		Date: 10/15/2015

Description

The proposed sweeper is the latest Elgin Pelican Sweeper, which is the model that municipalities use to meet the high volume of sweeping required in communities similar to North Andover.

Justification

The existing sweeper is a work horse in the division able to annually sweep entire town and respond to emergencies as well as the roadway improvement program. The existing piece of equipment is well beyond its useful life and requires between \$5,000 and \$10,000 of repair annually beyond the regular maintenance.

Description of item to be replaced

Existing 1994 Johnston Vehicle # 39

Schedule for completion of project

In year indicated.

Estimated value of replaced item: \$1.00

NET Estimated Annual Impact: \$10,000.00

Explanation

Reduce operating cost by reducing Repair and increasing efficiency with the new high volume equipment.



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Public Works

Priority: 4

Department: DPW Street & Sidewalks

Type: Improvement

Project: Water & High St. Intersection and Streetscape Improvements FY 17

Cost Basis: Arct/Eng

Project Category: Infrastructure

Asset Class: Select One

Project Type: Roadways/Sidewalks

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$350,000.00	\$475,000.00	\$0.00	\$0.00	\$0.00	\$825,000.00

Funding Source

Funding Amount

Submitted by: Bruce Thibodeau

General Fund

\$825,000.00

Title: Director

Total \$825,000.00

Date: 10/15/2015

Description

The work being proposed in coming fiscal years under the project is the final design and construction phase for intersection improvements streetscape improvements from the Main Street intersection through and including the Elm/High/Water Street intersection. The project scope is approximately 1300 feet beginning at the recently completed improvements at Main Street. A special study area is the above mentioned intersection. Traffic operations have been evaluated, including historical accident occurrences, signal warrants, sight distances and/or possible vertical and horizontal alignment modifications. A Public Input and Information Meeting was held in the spring of 2014 and comments included in the preliminary design plans. Funds being sought for FY 17 will be to construct the intersection improvements. Funds for the streetscape improvements will be sought for FY 18.

Justification

The intersection of Water, Elm, and High Street is one of the busiest in Town; particularly now with the residential, retail, and commercial development in the surrounding area. The site distances and grades at the intersection are poor and either cause accidents or near misses on a regular basis during inclement weather or commuter time. Pedestrian mobility, particularly by handicapped users, is very poor through the intersection. The roadway, sidewalks, and streetscape in this important historic area are in disrepair and could use an upgrade for both aesthetic and safety reasons. Finally, it will complete the final piece of the Machine Shop Village, Mill Complex, Main Street upgrades that have occurred over the past few years that have enhanced the downtown area.

Description of item to be replaced

Existing antiquated roadway, sidewalks, curbing, and handicap ramps.

Schedule for completion of project

The project is 75% designed. If successful and funds are available on July 1, 2016. The intersection improvement project will be bid in July of 2016 and construction completed in the spring of 2017. If successful in FY 18 then the streetscape improvements will be done in 2017/2018.

Estimated value of replaced item: \$0.00

NET Estimated Annual Impact: \$1,000.00

Explanation

The project will improve public safety and aesthetics.



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Public Works
Department: DPW Fleet Maint
Project: Equipment - 6 Wheel Dump Truck
Project Category: Equip (Rolling)
Project Type: Vehicle/Equipment (including "General IT")

Priority: 5
Type: Replacement
Cost Basis: Vendor Quote
Asset Class: Select One

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$185,000.00	\$0.00	\$200,000.00	\$0.00	\$200,000.00	\$585,000.00

Funding Source	Funding Amount	Submitted by:
General Fund	\$185,000.00	Bruce Thibodeau
General Fund	\$400,000.00	
Total	\$585,000.00	Title: Director
		Date: 10/19/2015

Description

New 6-wheel Dump Truck to replace an existing Dump Truck. It will also be used as a plowing and de-icing during snow removal operations. The spreader and controls are included in the request.

Justification

The vehicle that this will replace is 20 years old and well beyond it's useful life. This is a versatile piece of equipment with a removable spreader which will allow the Department to use the vehicle for many different tasks by such as a dump truck when not being used on snow and ice removal.

Description of item to be replaced

Truck #35 a 1995 Chevrolet Kodiak

Schedule for completion of project

Estimated value of replaced item: \$100.00

NET Estimated Annual Impact: \$1.00

Explanation

Repair and maintenance of truck occurs frequently. Lost time due to breakdowns will be reduced with the new truck.



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Community Services
Department: Senior Center
Project: Replacement vehicle

Project Category: Equip (Rolling)

Project Type: Vehicle/Equipment (including "General IT")

Priority: 1

Type: Replacement

Cost Basis: Vendor Quote

Asset Class: Class 1

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$52,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$52,000.00

Funding Source

General Fund

Funding Amount

\$52,000.00

Total \$52,000.00

Submitted by: Irene O'Brien

Title: Elder Service Director

Date: 10/19/2015

Description

To replace 2006 Ford E 450 Cutway Mini Bus with a new vehicle. Current vehicle (9) years old. Has extensive rust on the undercarriage, numerous electrical issues and the heating and cooling does not work effectively.

Justification

North Andover DPW mechanics provided the following information; undercarriage of vehicle has extended rust, numerous electrical issues, heating and cooling systems are covered with condensation and rust, numerous safety concerns. By replacing the existing van we can assure the safety of our older adult passengers through the year. The current vehicle has broken down on several occasions. We have had to borrow a vehicle to get folks home safely.

Description of item to be replaced

The 2006 Ford E350 13 ambulatory passenger mini bus was purchased through a transportation grant with the support of the Friends of the North Andover Senior Center in 2005. Because of its seating capacity it is our primary van for many of our programs. In addition we have a 2011 van which is a leased vehicle from the MVRTA. This van will carry six ambulatory passengers and two wheel chairs. Because of a safety and weight issue one seat was removed from the vehicle. By trading in the 2006 van we would be gaining a streamlined lined model van which will carry fourteen ambulatory older adults. For many of our programs both vans are out on the road at the same time. The new vehicle will enhance our existing transport for older adults.

Schedule for completion of project

Once the funds are approved it will take approximately 2 months to order and receive the van.

Estimated value of replaced item: \$5,500.00

NET Estimated Annual Impact: \$51,977.00

Explanation

An additional \$5,500 trade in value has been offered toward the purchase of the new van by the vendor.



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Administration
Department: Selectmen/Manager
Project: Facility Master Plan Implementation (FY17-FY19)
Project Category: Building
Project Type: Design/Construction (buildings, open space, athletic fields, water, sewer, drain, DWTP)

Priority: 1
Type: New
Cost Basis: Arct/Eng
Asset Class: Select One

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$4,620,885.00	\$1,957,500.00	\$4,316,000.00	\$0.00	\$0.00	\$10,894,385.00

Funding Source	Funding Amount	Submitted by:
General Fund	\$4,620,885.00	Andrew Maylor
Total	\$4,620,885.00	Title: Town Manager
		Date: 11/03/2015

Description

FY17
\$4,455,885 - construction costs for improvements to Public Works offices and garage site
\$165,000 - architect services for renovation/expansion of school classrooms
FY18
\$1,485,000 - construction costs for renovation/expansion of school classrooms
\$472,500 - OPM and architect services for expansion of Senior Center
FY19
\$4,316,000 - construction costs for expansion of Senior Center

Justification

Facility Master Plan previously approved and adopted by Annual Town Meeting

Description of item to be replaced

Schedule for completion of project

Estimated value of replaced item: \$0.00

NET Estimated Annual Impact: \$0.00

Explanation



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Administration

Priority: 2

Department: Selectmen/Manager

Type: Replacement

Project: Playgrounds Improvements (townwide)

Cost Basis: Other

Project Category: Infrastructure

Asset Class: Select One

Project Type: Vehicle/Equipment (including "General IT")

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$250,000.00

Funding Source

Funding Amount

Submitted by: Andrew Maylor

General Fund

\$250,000.00

Title: Town Manager

Total \$250,000.00

Date: 12/03/2015

Description

Justification

As part of a Master Plan, the Town is committed to spending \$50,000 in capital expenditures for longer term improvements each year to townwide playgrounds.

Description of item to be replaced

Schedule for completion of project

Estimated value of replaced item: \$0.00

NET Estimated Annual Impact: \$0.00

Explanation



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Fire
Department: Fire
Project: Integrated Public Safety Reporting System
Project Category: Infrastructure
Project Type: Vehicle/Equipment (including "General IT")

Priority: 1
Type: Replacement
Cost Basis: Vendor Quote
Asset Class: Select One

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$208,875.00	\$0.00	\$0.00	\$0.00	\$0.00	\$208,875.00

Funding Source	Funding Amount	Submitted by:
General Fund	\$208,875.00	Andrew Melnikas
Total	\$208,875.00	Title: Fire Chief
		Date: 10/20/2015

Description

This proposal is to replace the current Computer Aided Dispatch and Records Management system (Pamet) with a fully integrated system (IMC), adding significant functionality and eliminating several additional applications currently in place. This proposal comes after careful analysis and with the recommendation of the Fire, Police, and IT Departments.

Justification

The current system does not fully meet the needs of Public Safety, with several add-on applications required to meet those needs along with significant, redundant data entry. The current system is a proprietary system, making integration with other applications difficult. One of the added benefits of this system is that it interfaces well with the Munis System.

Description of item to be replaced

Comprehensive, integrated, Computer Aided Dispatch and Records Management system.

Schedule for completion of project

Purchase: July 2016;
data conversion, training, etc.. thru December, 2016;
fully live January, 2017.

Estimated value of replaced item: \$0.00

NET Estimated Annual Impact: \$14,887.00

Explanation

Software maintenance costs, existing systems: \$31,267
Software maintenance cost, proposed system: \$18,102
Savings: \$13,165



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Fire
Department: Fire
Project: Ambulance Replacement
Project Category: Equip (Rolling)
Project Type: Vehicle/Equipment (including "General IT")

Priority: 2
Type: Replacement
Cost Basis: Vendor Quote
Asset Class: Select One

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$268,197.00	\$0.00	\$0.00	\$0.00	\$300,000.00	\$568,197.00

Funding Source	Funding Amount	Submitted by:
General Fund	\$568,197.00	Andrew Melnikas
Total	\$568,197.00	Title: Fire Chief
		Date: 10/09/2015

Description

In FY17, the Department intends to purchase a new 2016 Horton 623 Ambulance with appropriate equipment, accessories, etc.

Justification

The new ambulance will replace a 2008 Ford Ambulance. This vehicle currently has a blown engine for which a replacement engine cannot be located. The new ambulance will serve as a front line vehicle along with a 2014 International Ambulance. The 2008 Chevrolet Ambulance will become the backup ambulance should one of the two front line ambulances be in need of repair. Since the Fire Department responds to approximately 3,000 ambulance calls per year, it is felt front line ambulance replacement should be done on a five year cycle.

Description of item to be replaced

This purchase replaces a 2008 Ford Ambulance.

Schedule for completion of project

It is anticipated the new ambulance will be delivered by the end of calendar year 2016.

Estimated value of replaced item: \$0.00

NET Estimated Annual Impact: \$0.00

Explanation



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Public Works
Department: Water
Project: Ozone System
Project Category: Building
Project Type: Design/Construction (buildings, open space, athletic fields, water, sewer, drain, DWTP)

Priority: 1
Type: Improvement
Cost Basis: Arct/Eng
Asset Class: Select One

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$200,000.00	\$2,200,000.00	\$0.00	\$0.00	\$0.00	\$2,400,000.00

Funding Source	Funding Amount	Submitted by:
Water Fund	\$2,400,000.00	Glen Alt
Total	\$2,400,000.00	Title: Superintendent
		Date: 10/22/2015

Description

The ozone system will be totally upgraded to the latest technology. These improvements will increase our ability to guarantee a safe drinking water from microbial organisms.

Justification

Upgrading the ozone system would mean a more "greener" system which will decrease the plant's use of electricity. It will also help us to provide safe, clean drinking water at lower operational and maintenance costs. Maintenance costs have risen in the past few years because of the age of the ozone equipment. Breakdowns are occurring more frequently. Some parts are either not available or extremely difficult to find.

Description of item to be replaced

Older technology ozone system from the 1990's.

Schedule for completion of project

We are expecting the completion of this project by the end of FY 18.

Estimated value of replaced item: \$0.00

NET Estimated Annual Impact: \$10,000.00

Explanation

Decrease in energy costs.



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Public Works

Priority: 2

Department: Water

Type: Replacement

Project: Chemical Storage Tanks & Feed System
Improvements-Update

Cost Basis: Arct/Eng

Project Category: Equip (non-Rolling)

Asset Class: Select One

Project Type: Design/Construction (buildings, open space, athletic fields, water, sewer, drain, DWTP)

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$175,000.00	\$225,000.00	\$370,000.00	\$420,000.00	\$0.00	\$1,190,000.00

Funding Source

Funding Amount

Submitted by: Glen Alt

Water Fund

\$1,190,000.00

Title: Superintendent

Total \$1,190,000.00

Date: 10/23/2015

Description

Replacement of chemical tanks and associated chemical feed systems (pumps, piping and alarms). The chemical storage tanks include fluoride, zinc orthophosphate, pyaluminum chloride, and sodium hydroxide. In FY 2017 we are proposing replacing the fluoride tank and in FY 2018 the chemical feed system associated with the fluoride storage tank. The other storage tanks are planned for future year requests.

Justification

Most of the chemical feed systems and storage tanks are over 25 years old and reaching the end of their useful life span thus need to be upgraded or replaced over the next several years. This would include seven (7) bulk storage tanks and several day tanks, 2 – 4 chemical feed pumps for each chemical along with all associated plumbing and alarms.

Description of item to be replaced

Storage tanks ranging in size from 100 gal day tanks to 3300 gal storage tanks along with the chemical metering pumps and controls.

Schedule for completion of project

This project is expected to span a few years until the project is completed.

Estimated value of replaced item: \$0.00

NET Estimated Annual Impact: \$0.00

Explanation



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Public Works

Priority: 3

Department: Water

Type: Replacement

Project: Valve & Hydrant Replacements

Cost Basis: Arct/Eng

Project Category: Infrastructure

Asset Class: Select One

Project Type: Design/Construction (buildings, open space, athletic fields, water, sewer, drain, DWTP)

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$100,000.00	\$0.00	\$100,000.00	\$0.00	\$0.00	\$200,000.00

Funding Source

Funding Amount

Submitted by: Tim Willett

Water Fund

\$200,000.00

Title: Operations Manager

Total \$200,000.00

Date: 10/20/2015

Description

The funding allows for old hydrants and valves to be replaced. During our annual flushing program, we discover several hydrants that need to be replaced, mostly due to age. Similarly, during water operations we discover gate valves that can no longer shut completely and need replacement.

Justification

Hydrants and valves are critical components to a water system and must be in excellent working condition. We must be able to shut water off to repair a water main break. Hydrants are needed to flush the system to remove sediments, and fight fires.

Description of item to be replaced

Old hydrants and gate valves in various locations around town.

Schedule for completion of project

Purchase valves and hydrants: October 30, 2016
Install hydrants by November 30, 2017.
Install new valves by June 30, 2018.

Estimated value of replaced item: \$100.00

NET Estimated Annual Impact: \$10,000.00

Explanation

Extra labor and materials could be result in an emergency situation such as a water main break if we are not proactive with valve and hydrant replacement.



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Public Works **Priority:** 1
Department: Sewer **Type:** Improvement
Project: Improvements to Various Sewer PS **Cost Basis:** Arct/Eng
Project Category: Infrastructure **Asset Class:** Select One
Project Type: Design/Construction (buildings, open space, athletic fields, water, sewer, drain, DWTP)

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$150,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$250,000.00	\$700,000.00

Funding Source	Funding Amount	Submitted by:
Sewer Fund	\$600,000.00	Glen Alt
Other	\$100,000.00	Title: Superintendent
Total	\$700,000.00	Date: 10/26/2015

Description

Assessment of 22 sewer stations for physical and operational condition. Improvements to the equipment as needed at the stations.

Justification

The sewer stations ranged in years from 5 to over 25 years old. An assessment is needed evaluate the condition of the stations to plan for any future repairs and upgrades. As of now, the Butcher Boy generator needs replacing at a cost of \$25,000 to \$30,000. This station is next to Lake Cochichewick and therefore a threat to the water supply if the event of a power outage. There are other stations that will need necessary repairs in the near future.

Description of item to be replaced

See description above.

Schedule for completion of project

This project will be carried over multiple years and will dependent on the findings of the assessment.

Estimated value of replaced item: \$0.00

NET Estimated Annual Impact: \$0.00

Explanation



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Stevens Estate **Priority:** 1
Department: Stevens Estate **Type:** Improvement
Project: Stevens Estate Main House Improvements **Cost Basis:** Other
Project Category: Building **Asset Class:** Class 1
Project Type: Design/Construction (buildings, open space, athletic fields, water, sewer, drain, DWTP)

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$110,000.00	\$60,000.00	\$45,000.00	\$20,000.00	\$20,000.00	\$255,000.00

Funding Source	Funding Amount	Submitted by:
Stevens Est.	\$255,000.00	Joanna Ouellette
Total	\$255,000.00	Title: Director Date: 11/06/2015

Description

The project involves necessary repairs, replacement and renovations to the Main House to enhance the functionality, safety and attractiveness of the estate as an events center while preserving and enhancing the historical significance of the property. Included in this effort are bathroom renovations; roof repair and upgrade; replacement of HVAC, refrigeration systems, and electrical systems.

Justification

The Stevens Estate's success as an event and conference center is largely reliant on its historical trappings being preserved. However, it is equally critical that prospective clients be accorded modern services and facilities. In the past, such has been accomplished through a band-aid approach that allowed additional physical and operational needs of the facility to accumulate. The proposed project is aimed at more aggressively addressing these capital needs in a proactive, comprehensive manner that will establish firmer business planning.

Description of item to be replaced

The following are the main items being replaced/upgraded: bathroom remodeling; roofs, gutters, copper fascia, and downspouts; air conditioning system; radiator steam traps; refrigeration systems; heating systems (boiler and radiators); hot water heater; plumbing and electrical systems; lighting, emergency /alarm systems; and stained glass window restoration.

Schedule for completion of project

December 2020

Estimated value of replaced item: \$0.00

NET Estimated Annual Impact: \$0.00

Explanation



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Stevens Estate

Priority: 2

Department: Stevens Estate

Type: Improvement

Project: Stevens Estate Streetscape Improvements

Cost Basis: Other

Project Category: Land

Asset Class: Class 1

Project Type: Design/Construction (buildings, open space, athletic fields, water, sewer, drain, DWTP)

FY2017	FY2018	FY2019	FY2020	FY2021	Total
\$15,000.00	\$15,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$45,000.00

Funding Source

Funding Amount

Submitted by: Joanna Ouellette

Stevens Est.

\$45,000.00

Title: Director

Total \$45,000.00

Date: 11/06/2015

Description

The objective is perform necessary access and circulation repairs and improvements to the land/grounds of this historical manor. This project will enhance the functionality, safety and attractiveness of the estate as an events center while preserving and enhancing the historical significance of the property.

Justification

Currently, (1) access from Osgood Street through the property; (2) pedestrian access into the Main House and outdoor event spaces (tent and ceremony areas); and (3) parking needs are inadequate. This is particularly true when larger events are occurring at the site. In addition, there are site conditions that have deteriorated and pose safety issues that need to be addressed.

Description of item to be replaced

The following are the main items being replaced/upgraded: retaining wall, driveway, pathways, parking lot, dumpster area.

Schedule for completion of project

Estimated value of replaced item: \$0.00

NET Estimated Annual Impact: \$0.00

Explanation

DEBT SERVICE

DEBT SERVICE

Bonded Debt

This expenditure covers the cost of the principal and interest payments of the Town's bonded debt with the exception of the Water and Sewer Enterprise Funds which appears in their respective budgets. The expenditure includes payment on the Town's recent long term bonding and payment required from the Town's CIP.

General Debt Limit

Under Massachusetts's statutes, the General Debt Limit of the Town of North Andover consists of a Normal Debt Limit and a Double Debt Limit. The Normal Debt Limit of a Town is 5 percent of the valuation of taxable property. The Town can authorize debt up to this amount (currently \$223,309,300) without State approval. The Town can authorize debt up to twice this amount (Double Debt Limit) with the approval of the State Emergency Finance Board.

There are many categories of general obligation debt which are exempt from and do not count against the General Debt Limit. Among others, these exempt categories include revenue anticipation notes and grant anticipation notes, emergency loans, loans exempted by special laws, certain school bonds, sewer project bonds and solid waste and solid waste disposal facility bonds (as approved by the Emergency Finance Board), and, subject to special debt limits, bonds for water, housing, urban renewal and economic development (subject to various debt limits) and electric and gas (subject to a separate limit to the General Debt Limit, inducing the same doubling provision). Industrial revenue bonds, electric revenue bonds and water pollution abatement revenue bonds are not subject to these debt limits. The General Debt Limit and the special debt limit for water bonds apply at the time the debt is authorized. The other special debt limits generally apply at the time the debt is incurred.

Debt Limit Calculation (Debt from all sources including Water and Sewer)	
Equalized Valuation 1/1/15	4,337,534,000
Debt Limit	216,876,700
Outstanding Debt outside Limit 6/15/16	8,625,440
Outstanding Debt inside Limit 6/15/16	<u>43,200,485</u>
Total Outstanding Debt 6/15/16	51,825,925
Debt Limit	216,876,700
Debt subject to Debt Limit	<u>43,200,485</u>
Borrowing Capacity	173,676,215

Communities have four basic ways to finance capital projects: pay-as-you-go financing, debt financing, public private ventures, and intergovernmental financing (such as the SRF's low interest loan/grant program). Over reliance on any one of these options can be risky to a local government's fiscal health. It can also restrict the municipality's ability to respond to changes in economic and fiscal conditions.

Authorization of General Obligation Debt

Under the General Laws, bonds and notes of a Town are generally authorized by vote of two-thirds of all the members of the Town Meeting. A provision is made for a referendum on the filing of a petition bearing the requisite number of signatures that would allow the cost to be excluded from the Proposition 2½ taxation limits. Borrowing for certain purposes also requires administrative approval from the commonwealth.

Temporary loans in anticipation of current revenues, grants and other purposes can be made without local legislative approval.

Types of Obligations

Under Massachusetts statute, the Town is authorized to issue general obligation indebtedness of the following types:

Serial Bonds and Notes - These are generally required to be payable in equal or diminishing annual principal amounts beginning no later than the end of the next fiscal year commencing after the date of issue and ending within the terms permitted by law. Level debt service is permitted for bonds or notes issued for certain purposes, and for those projects for which debt service has been exempted from property tax limitations. The maximum terms vary from one year to 40 years, depending on the purpose of the issue. Most of the purposes are capital projects. They may be made callable and redeemed prior to their maturity, and a redemption premium may be paid. Refunding bonds or notes may be issued subject to the maximum terms measured from the date of the original bonds or notes. Serial bonds may be issued as "qualified bonds" with the approval of the State Emergency Finance Board, subject to such conditions and limitations (including restrictions on future indebtedness) as may be required by the Board. The State Treasurer is required to pay the debt service on "qualified bonds" and thereafter to withhold the amount of the debt service from state aid or other state payments. Administrative costs and any loss of interest income to the Commonwealth are to be assessed upon the Town.

Bond Anticipation Notes – These generally must mature within two years of their original dates of issuance, but may be refunded from time to time for a period not to exceed five years from their original date of issuance, provided that (except for notes issued for certain school projects that have been approved for state school construction aid) for each year that the notes are refunded beyond the second year, they must be paid in part from revenue funds in an amount at least equal to the minimum annual payment that would have been required if the bond had been issued at the end of the second year. The maximum term of bonds issued to refund bond anticipation notes is measured from the date of the original issue of the notes except for notes issued for such State-aided school construction projects.

Revenue Anticipation Notes – Revenue Anticipation Notes are issued to meet current expenses in anticipation of taxes and other revenues. They must mature within one year but, if payable in less than one year, may be refunded from time to time up to one year from the original date of issue.

Grant Anticipation Notes – Grant Anticipation Notes are issued for temporary financing in anticipation of federal grants and state and county reimbursements. They must generally mature within two years, but may be refunded from time to time as long as the municipality remains entitled to the grant and reimbursement.

Revenue Bonds – Cities and towns may issue revenue bonds for solid waste disposal facilities and for projects financed under the Commonwealth’s water pollution abatement revolving loan program. In addition, cities and towns having electric departments may issue revenue bonds, and notes in anticipation of such bonds, subject to the approval of the State Department of Public Utilities. The Town of North Andover does not have an electric department, and has not authorized any other Town revenue bonds.

Bond Rating

The Town’s bond rating is as follows:

Standard and Poor’s	AAA +
Moody’s	Aa2

General Fund Debt Service

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 ADOPTED	Dollar Change	Percent Change
Expenses						
Principal - Long Term - Excluded	\$ 1,434,856	\$ 1,485,000	\$ 1,700,000	\$ 1,745,000	\$ 45,000	2.6%
Interest - Long Term - Excluded	\$ 376,115	\$ 289,775	\$ 236,388	\$ 177,516	\$ (58,872)	-24.9%
Principal - Long Term - Non Excluded	\$ 3,931,890	\$ 3,098,967	\$ 3,085,624	\$ 3,273,902	\$ 188,278	6.1%
Interest - Long Term - Non Excluded	\$ 579,627	\$ 688,132	\$ 795,301	\$ 1,011,971	\$ 216,671	27.2%
Interest on Notes	\$ 1,977	\$ 2,970	\$ -	\$ -	\$ -	
Total: Debt Service	\$ 6,324,465	\$ 5,564,844	\$ 5,817,313	\$ 6,208,389	\$ 391,077	6.7%

Water Debt Service

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 ADOPTED	Dollar Change	Percent Change
Expenses						
Principal - Long Term	\$ 1,166,448	\$ 1,208,112	\$ 734,006	\$ 592,979	\$ (141,027)	-19.2%
Interest - Long Term	\$ 187,925	\$ 156,334	\$ 115,657	\$ 93,586	\$ (22,070)	-19.1%
Principal - Long Term - MWPAT	\$ 251,505	\$ 256,586	\$ 261,770	\$ 267,058	\$ 5,288	2.0%
Interest - Long Term - MWPAT	\$ 84,600	\$ 79,519	\$ 74,335	\$ 69,047	\$ (5,288)	-7.1%
Total: Water Debt Service	\$ 1,690,478	\$ 1,700,551	\$ 1,185,768	\$ 1,022,670	\$ (163,098)	-13.8%

Sewer Debt Service

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 ADOPTED	Dollar Change	Percent Change
Expenses						
Principal - Long Term	\$ 1,243,005	\$ 1,251,608	\$ 1,155,370	\$ 878,166	\$ (277,204)	-24.0%
Interest - Long Term	\$ 289,431	\$ 246,378	\$ 186,312	\$ 192,881	\$ 6,569	3.5%
Principal - Long Term - MWPAT	\$ 400,896	\$ 424,317	\$ 254,152	\$ 258,044	\$ 3,892	1.5%
Interest - Long Term - MWPAT	\$ 49,623	\$ 34,635	\$ 24,174	\$ 15,342	\$ (8,832)	-36.5%
Total: Sewer Debt Service	\$ 1,982,954	\$ 1,956,938	\$ 1,620,008	\$ 1,344,433	\$ (275,575)	-17.0%

TOWN OF NORTH ANDOVER				
TOTAL DEBT OBLIGATIONS				
GENERAL FUND - WATER AND SEWER				
	General Fund	Water	Sewer	Combined Annual
FY2016	\$ 5,817,313	\$ 1,282,276	\$ 1,523,500	\$ 8,623,089
FY2017	\$ 6,052,613	\$ 1,022,670	\$ 1,319,763	\$ 8,395,047
FY2018	\$ 5,752,727	\$ 999,561	\$ 1,304,042	\$ 8,056,330
FY2019	\$ 4,035,127	\$ 836,933	\$ 1,075,074	\$ 5,947,134
FY2020	\$ 3,307,996	\$ 725,366	\$ 986,025	\$ 5,019,387
FY2021	\$ 3,094,182	\$ 692,006	\$ 783,604	\$ 4,569,792
FY2022	\$ 2,509,841	\$ 662,271	\$ 646,234	\$ 3,818,345
FY2023	\$ 2,394,399	\$ 446,080	\$ 333,116	\$ 3,173,595
FY2024	\$ 2,333,071	\$ 443,255	\$ 317,663	\$ 3,093,988
FY2025	\$ 2,191,971	\$ 418,105	\$ 307,238	\$ 2,917,314
FY2026	\$ 1,807,133	\$ 415,506	\$ 291,351	\$ 2,513,989
FY2027	\$ 1,610,910	\$ 412,905	\$ 194,798	\$ 2,218,614
FY2028	\$ 1,551,758	\$ 410,305	\$ 165,501	\$ 2,127,564
FY2029	\$ 1,496,741	\$ 71,600	\$ -	\$ 1,568,341
FY2030	\$ 1,070,846	\$ 104,000	\$ -	\$ 1,174,846
FY2031	\$ 1,051,901	\$ -	\$ -	\$ 1,051,901
FY2032	\$ 1,036,331	\$ -	\$ -	\$ 1,036,331
FY2033	\$ 1,014,281	\$ -	\$ -	\$ 1,014,281
FY2034	\$ 987,069	\$ -	\$ -	\$ 987,069
	\$ 49,116,211	\$ 8,942,838	\$ 9,247,908	\$67,306,958

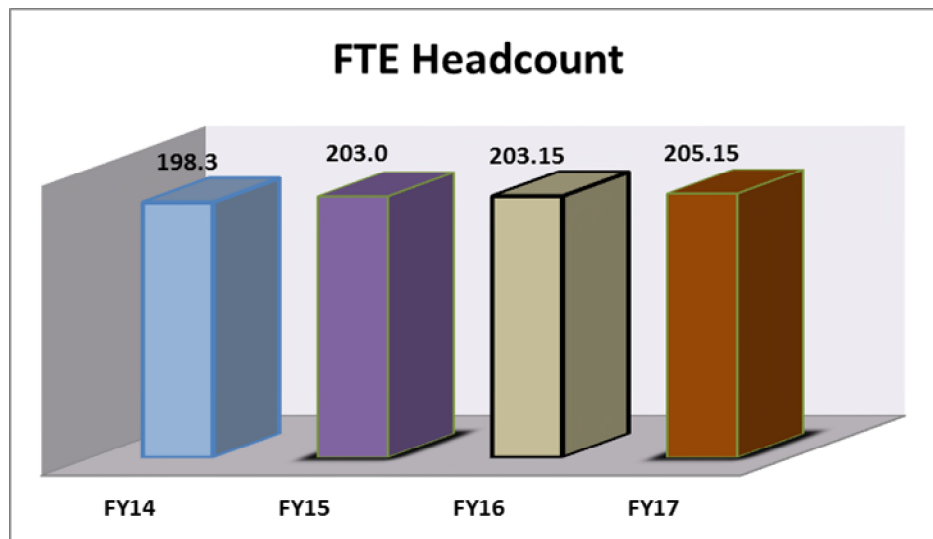


*Country Road , North Andover
Courtesy of Millie Matasso*

Town Non-School Personnel Analysis

With the projected cost of personnel at \$14.7 million or 68.5% of the General Fund non-school operating budget the need to stringently monitor this area of the operating budget is of the highest importance. The FTE Headcount remains relatively unchanged for FY17, 2. FTE increase. However several departments have seen staffing changes in an attempt to improve service delivery and align human resources with departmental functions. More detail explanation on following chart.

The chart below shows the Town's non-school headcount over the last four years. The table on the following page illustrates the changes, which have been made over the last three fiscal years by department. Further detail breakdown can be found within each departmental presentation



TOWN OF NORTH ANDOVER GENERAL FUND POSITION LIST COMPARISON

MUNICIPAL DEPARTMENTS	ACTUAL FY14 STAFF POSITIONS	ACTUAL FY15 STAFF POSITIONS	ACTUAL FY16 STAFF POSITIONS	REQUESTED FY17 STAFF POSITIONS	VARIANCE + / (-)
Assessor	3.75	3.75	3.75	3.75	0.00
Assistant Town Manager	0.50	0.00	0.00	0.00	0.00
Board of Appeals	1.00	1.00	0.50	0.50	0.00
Community Development	2.00	2.00	3.00	1.70	-1.30
Conservation	1.50	2.00	2.00	2.00	0.00
Elder Services	5.00	5.00	5.00	5.00	0.00
Emergency Management	0.00	0.00	0.00	0.00	0.00
Facilities Management	2.00	2.00	2.00	2.00	0.00
Fire	55.00	56.00	56.00	56.00	0.00
Health	3.60	3.60	3.60	3.60	0.00
Human Resources	1.00	1.00	2.00	2.00	0.00
Information Technology	8.00	8.00	8.00	8.40	0.40
Inspectional Services	4.30	4.30	4.30	4.60	0.30
Library	12.10	14.10	14.40	15.10	0.70
Planning	2.00	2.00	2.00	3.00	1.00
Police	53.00	53.00	53.00	53.00	0.00
Public Works	23.25	23.25	23.00	24.00	1.00
Admin Support	0.50	0.50	0.50	1.50	1.00
Town Accountant	4.00	4.00	3.00	2.00	-1.00
Town Clerk	4.00	4.00	4.00	4.00	0.00
Town Manager / Selectmen	2.40	3.00	2.50	2.50	0.00
Treasurer / Collector	4.00	4.00	4.00	4.00	0.00
Veterans Services	1.40	1.50	1.60	1.50	-0.10
Youth & Recreation Services	4.00	5.00	5.00	5.00	0.00
Grand Total	198.30	203.00	203.15	205.15	2.00

CHANGES

Community Development - 1 FTE to Planning, .30 to Stevenes Estate

Information Technology - Increase is due to vchange in funding source not an increase in staff

Inspectional Services - increase in hr for Plumbing/Gas Inspector

Library .50 shared position with School and .20 additional hours for existing staff

Planning - 1 FTE from Community Deveolement

Public Works - Correcting error from previous year

Admin Support - 1 FTE from Accounting

Accounting - 1 FTE to Admin Support

Veterans - redcution in staff hours

TOWN MANAGER

MISSION STATEMENT

The Town Manager is the Chief Executive Officer and is the primary officer responsible for the implementation of Board of Selectmen policy and compliance with town by-laws, the town charter and the laws of the Commonwealth of Massachusetts. The Town Manager sets overall operating goals for the Town, which determines the departmental goals, and oversees the efficient and effective administration of town government to achieve those goals. The Town Manager is responsible for ensuring the continued economic, social, and financial viability of the Town, and also for ensuring the delivery of quality services to the residents and taxpayers of the Town.

SIGNIFICANT CHANGES

Modified and expanded the job description of the Executive Assistant to include responsibilities more consistent with position as envisioned.

PRIOR YEAR ACCOMPLISHMENTS

- Completed construction of the Central Fire Station and implemented the next phase of the Facilities Master Plan which includes the renovations of Town Hall and the former fire station.
- Executed net metering agreement with Brooks School to help reduce the cost of energy
- Developed a FY17 Budget maintaining level services without the use of reserves and resulted in no increase in Water and Sewer Rates.
- Negotiated new three year collective bargaining agreements with Firefighters and Police Lieutenants.
- Signed Community Compact Program Agreement allowing the town to receive funding and technical support from the state and extra points for certain grant applications.
- Invested \$1 million into the Commonwealth's Pension Reserve Investment Trust.

- Presented a Five Year Capital Improvement Plan for FY17-21 to the Board of Selectmen which adheres to the plan to reduce debt service as a percentage of operating revenue to below 5%.
- Worked with Selectmen to create an Opioid Abuse Task Force charged with researching best practices to deal with growing problem of addiction
- Completed downtown parking study and began making parking improvements to the downtown area
- Consolidated School and Municipal payroll and accounts payable departments
- Launched Report It program allowing residents to communicate questions, comments and issues via the town website
- Submitted warrant article to Town Meeting to bring Community Choice Aggregation program to town allowing residents to choose their energy supplier
- Worked with the state to install new signage on Route 495
- Provided assistance through the Affordable Housing Trust Fund and the Community Preservation Fund to Bread & Roses Housing for the purchase and renovation of two affordable housing units

FY17 GOALS

- Negotiate new three year collective bargaining agreements with all non-exempt/non-public safety personnel by July 1, 2016.
- Codify Town Bylaws
- Review Osgood Smart Growth Overlay District bylaw and provide recommendations by October 1, 2016.
- Develop a FY18 Budget by February 15, 2017 which maintains level services without the use of reserves.
- Maintain the Town's reserves (Stabilization and Capital Stabilization) at approximately 5% of General Fund operating revenues.
- Continue to implement the "vision" created for the Route 125 corridor and aggressively market the area to large companies.

- Develop a Five Year Capital Plan for FY18-22 by December 31, 2016 which adheres to the goal of maintaining debt service as percentage of operating revenue to below 5%.
- Complete performance evaluations for all Division Directors and other senior staff members by July 30, 2017.
- Expand regional strategic partnerships with surrounding communities by June 30, 2017.
- Implement a LED Streetlight placement program by June 30, 2017.
- Complete renovations of the Town Hall and former fire station and move all Town offices back by October 31, 2016.
- Update exempt employee pay classification chart by December 31, 2016.

Town Manager Budget

Expense Line Item	2015 ACTUAL	2016 ACTUAL	2017 Dept Request	2017 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	\$ 256,094	\$ 269,747	\$ 281,052	\$ 281,052	\$ 11,305	4.2%
Wages, Part-Time	\$ 25,170	\$ 25,500	\$ 25,500	\$ 25,500	\$ -	0.0%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	
Longevity	\$ 413	\$ 413	\$ 1,163	\$ 1,163	\$ 750	181.8%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 281,677	\$ 295,660	\$ 307,715	\$ 307,715	\$ 12,055	4.1%
Expenses						
Contract Benefits - Manager	\$ 1,500	\$ 1,511	\$ 3,000	\$ 3,000	\$ 1,489	98.5%
Repairs & Maintenance	\$ -	\$ 154	\$ 200	\$ 200	\$ 46	29.8%
Hosting Meeting Expenses	\$ 250	\$ 369	\$ 600	\$ 600	\$ 231	62.7%
Equipment Rental/ Leases	\$ 5,365	\$ 3,797	\$ 6,000	\$ 6,000	\$ 2,203	58.0%
Outside Professional Services	\$ 1,920	\$ 2,124	\$ 2,000	\$ 2,000	\$ (124)	-5.8%
Advertising	\$ 898	\$ 1,074	\$ 1,500	\$ 1,500	\$ 426	39.6%
Training & Education	\$ 16,668	\$ 5,487	\$ 6,500	\$ 6,500	\$ 1,013	18.5%
Telephone	\$ 2,648	\$ 1,779	\$ 1,500	\$ 1,500	\$ (279)	-15.7%
Postage Services	\$ 552	\$ 372	\$ 1,000	\$ 1,000	\$ 628	168.7%
Commission on Disability Issues	\$ -	\$ -	\$ 250	\$ 250	\$ 250	#DIV/0!
Office Supplies	\$ 4,224	\$ 2,559	\$ 4,000	\$ 4,000	\$ 1,441	56.3%
Printing & Forms	\$ 6,329	\$ 4,715	\$ 4,000	\$ 4,000	\$ (715)	-15.2%
Auto Mileage	\$ 7,277	\$ 4,024	\$ 2,000	\$ 2,000	\$ (2,024)	-50.3%
Dues/ Memberships & Subscriptions	\$ 5,150	\$ 5,696	\$ 6,000	\$ 6,000	\$ 304	5.3%
Other Charges & Expenses	\$ 2,319	\$ 782	\$ 1,000	\$ 1,000	\$ 218	27.9%
Total: Expense Costs	\$ 55,101	\$ 34,442	\$ 39,550	\$ 39,550	\$ 3,619	14.8%
Total: Town Manager Costs	\$ 336,777	\$ 330,102	\$ 347,265	\$ 347,265	\$ 15,674	5.2%

Town Manager Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE +/-
Town Manager	Town Manager	1	1	1	1	0
	Assistant Town Manager	0	0.5	0.5	0.5	0
	Administrative Assistant	0.4	0.5	0	0	0
	Administrative Secretary	1	1	0	0	0
	Executive Assistant	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		2.4	3	2.5	2.5	0

Moderator Budget

Expense Line Item	2015 ACTUAL	2016 ACUTAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel						
Wages, Part-Time	\$ 500	\$ 750	\$ 850	\$ 850	\$ 100	13.3%
Total: Personnel Costs	\$ 500	\$ 750	\$ 850	\$ 850	\$ 100	13.3%
Expenses						
Dues and Subscriptions	\$ -	\$ -	\$ -	\$ 350	\$ 350	
Total: Expense Costs	\$ -	\$ -	\$ -	\$ 350	\$ -	
Total: Town Moderator Costs	\$ 500	\$ 750	\$ 850	\$ 1,200	\$ 100	60.0%

HUMAN RESOURCES

MISSION STATEMENT

The Human Resources Department serves the employees and citizens of the Town in a manner that reflects the Town's core values and culture. The Department seeks to promote fairness, open communication, and equal opportunity for all. Services include recruitment, compensation and benefits management, employee/labor relations and human resource information management.

SIGNIFICANT CHANGES

Due to an unplanned four month staffing shortage some of the current year's goals were not able to be met and are goals for next year.

PRIOR YEAR ACCOMPLISHMENTS

- The Department has met initial compliance requirements of the Affordable Health Care Act which requires notifications to health insurance participants, and to individuals who are eligible to participate in health insurance but are not currently enrolled, the auditing of employee work hours to offer health insurance to employees who were not previously eligible, and the documentation of ineligible employees. The final part of the compliance is to report and file with the IRS health insurance participation or ineligibility by March 30, 2016.
- The Department complied with requirements of the Public Employee Committee Agreement regarding contribution rate changes, the continued subsidy of retiree health insurance and the cessation of the Health Reimbursement Arrangement Plan as it was not beneficial to participants; 3.5% of the total participants covered (2,201 participants) received reimbursements.
- Human Resources has seen high volume recruitment activity in the first seven months of the fiscal year due to the restructuring of departments, replacing retiring employees and voluntary separations. Recruitment activity resulted in vacancies/replacing the following 44 positions.

Division/Department

Position

Stevens Memorial Library

Senior Library Assistant, Part Time Assistant Children's Librarian, Assistant Library Director, Library Director, Part Time Professional Librarian (2), Technical Services and Reference Librarian, Pages (2)

Public Works

Drinking Water Treatment Plant Operator, Heavy Motor Equipment Operator, Tree Climber Surgeon, Special Motor Equipment Operator, Summer Laborers (2), Staff Engineer, Water & Sewer Maintenance Craftsman, Operation & Maintenance Chief, Assistant Superintendent/ Lab Director

Community & Economic Development	Planner, Department Assistant (PT), Director Stevens Estate, Public Health Intern
Information Technology	Director
Elder Services	Friendly Visitor Coordinator
Police Department	Police Officers - 5 full time, 2 Reserve Communications Officers - 2 full time
Fire Department	Firefighters – 3, Lieutenant – 1, Deputy Fire Chief
Town Clerk	Assistant Town Clerk, Department Assistant
Treasurer/Collector	Treasurer/Collector Department Head
Accounting	Assistant Town Accountant
Veterans	District Director Veterans Services
Youth & Recreation Services	Support Services Coordinator

- Met compliance with Affordable Care Act Requirements. Requests for Proposals were advertised and a consultant has been selected to perform two Assessment Centers, one for Fire Chief and one for Police Chief. The selection process is expected to be completed by mid – March, 2016.
- Completed review of the Pay Classification with recommendations for upgrades plan.

FY17 GOALS

- Implement the employee self-service options in MUNIS (such as the ability to change personal or benefits information) by September 30, 2016.
- Provide two Town-wide training sessions for employees by August 31, 2016 and by November 30, 2016.
- Provide two training sessions for Division Directors/Department Heads by September 30, 2016 and by February, 28, 2017.

Human Resources Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries, Full-Time	\$ 80,160	\$ 132,372	\$ 142,516	\$ 142,833	\$ 142,833	\$ 317	0.2%
Longevity	\$ -	\$ 1,125	\$ 1,650	\$ 1,975	\$ 1,975	\$ 325	
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 80,160	\$ 133,497	\$ 144,166	\$ 144,808	\$ 144,808	\$ 642	0.4%
Expenses							
Outside Professional Services	\$ -	\$ 7,800	\$ 18,022	\$ 19,000	\$ 19,000	\$ 978	5.4%
Advertising	\$ -	\$ -	\$ -	\$ 79	\$ 79	\$ 79	#DIV/0!
Training & Education	\$ 241	\$ 265	\$ 1,024	\$ 2,300	\$ 2,300	\$ 1,276	124.5%
Postage Services	\$ 160	\$ 266	\$ 470	\$ 271	\$ 271	\$ (199)	-42.3%
Office Supplies	\$ 1,206	\$ 1,493	\$ 2,139	\$ 1,325	\$ 1,325	\$ (814)	-38.1%
Printing & Forms	\$ 1,276	\$ 581	\$ 617	\$ 500	\$ 500	\$ (117)	-19.0%
Auto Mileage	\$ 82	\$ 156	\$ 81	\$ 175	\$ 175	\$ 94	116.0%
Dues/ Memberships & Subscriptions	\$ 428	\$ 438	\$ 465	\$ 690	\$ 690	\$ 225	48.4%
Other Charges and Expense	\$ -	\$ -	\$ -	\$ 200	\$ 200	\$ 200	
Total: Expense Costs	\$ 3,392	\$ 10,997	\$ 22,819	\$ 24,540	\$ 24,540	\$ 1,721	7.5%
Total: Human Resource Costs	\$ 83,552	\$ 144,495	\$ 166,985	\$ 169,348	\$ 169,348	\$ 2,363	1.4%

Human Resources Personnel Listing						
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE +/(-)
Human Resources	Director	1	1	1	1	0
	HR Benefits Specialist	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		1	1	2	2	0

TOWN ACCOUNTANT

MISSION STATEMENT

The Town Accountant provides the controllership and audit functions for the Town and its departments and agencies. The Accounting Department protects the fiduciary interest of the Town by ensuring that the financial records are accurately maintained and preserved; supervising and monitoring the expenditures of the Town funds; utilizing sound accounting practices; and performing all other auditing and accounting functions pursuant to the Town Charter, Town By-Laws and the laws of the Commonwealth of Massachusetts.

SIGNIFICANT CHANGES

There were no significant changes to the Town Accountant's Office this fiscal year.

PRIOR YEAR ACCOMPLISHMENTS

- Awarded the Distinguished Budget Presentation Award for the third year.
- Awarded the Comprehensive Annual Financial Report (CAFR) for FY14.
- Complied with State filing requirements by completing and submitting the Town's Balance Sheet by September 15th.
- Complied with State filing requirements by completing the Schedule A by October 31st.
- Successfully implemented first phase of new tax billing software by June 30, 2016.

FY17 GOALS

- Submit the FY17 Budget for the "Distinguished Budget Presentation Award" to the GFOA by August 8, 2016.
- Work with various departments to implement and train on phase three new financial system no later than June 30, 2017.
- Comply with State filing requirements by completing the Balance Sheet by September 15, 2016
- Comply with State filing requirements by completing Schedule A (a comprehensive report on Town and School expenditures and account balances) by October 31, 2016.
- Work with external auditors to produce the Town Comprehensive Annual Financial Report (CAFR) to be submitted to the GFOA by December 31, 2016.

Accounting Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Request	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries, Full-Time	\$ 201,690	\$ 212,693	\$ 212,567	\$ 168,985	\$ 168,985	\$ (43,582)	-20.5%
Longevity	\$ 2,275	\$ 2,275	\$ 1,928	\$ 2,650	\$ 2,650	\$ 722	37.5%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 203,965	\$ 214,968	\$ 214,495	\$ 171,635	\$ 171,635	\$ (42,860)	-20.0%
Expenses							
Equipment Rental/Lease	\$ 3,300	\$ 3,781	\$ -	\$ 200	\$ 200	\$ 200	#DIV/0!
Outside Professional Services	\$ 9,276	\$ 2,725	\$ 10,875	\$ 10,000	\$ 10,000	\$ (875)	-8.0%
Training & Education	\$ 1,315	\$ 1,250	\$ 842	\$ 1,600	\$ 1,600	\$ 758	90.1%
Telephone	\$ 480	\$ 480	\$ 480	\$ 480	\$ 480	\$ -	0.0%
Postage Services	\$ 86	\$ 154	\$ 411	\$ 250	\$ 250	\$ (161)	-39.2%
Office Supplies	\$ 3,455	\$ 3,032	\$ 2,783	\$ 3,000	\$ 3,000	\$ 217	7.8%
Printing & Forms	\$ 3,285	\$ 5,396	\$ 4,892	\$ 3,800	\$ 3,800	\$ (1,092)	-22.3%
Uniforms & Clothing	\$ 125	\$ 150	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Auto Mileage	\$ 109	\$ 259	\$ -	\$ 150	\$ 150	\$ 150	#DIV/0!
Dues/ Memberships & Subscriptions	\$ 530	\$ 570	\$ 540	\$ 570	\$ 570	\$ 30	5.6%
Other Charges & Expenses	\$ 359	\$ 592	\$ 120	\$ 100	\$ 100	\$ (20)	-16.7%
Total: Expense Costs	\$ 22,320	\$ 18,389	\$ 20,943	\$ 20,150	\$ 20,150	\$ (793)	-3.8%
Total: Town Accountant Costs	\$ 226,285	\$ 233,357	\$ 235,437	\$ 191,785	\$ 191,785	\$ (43,652)	-18.5%

Town Accountant Personnel Listing						
Department	Title	FY14 STAFF POS	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE +/(+)
Accounting	Town Accountant/Finance Director	1	1	1	1	0
	Assistant Town Accountant	1	1	1	1	0
	Payroll Coordinator	0.6	0.6	0.6	0.0	-0.6
	Accounts Payable Clerk	1	1	0.4	0.0	-0.4
	Part Time Clerk	<u>0.4</u>	<u>0.4</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total		4.0	4.0	3.0	2.0	-1.0

ASSESSOR'S OFFICE

MISSION STATEMENT

The Assessor's Office is responsible for valuing all taxable and exempt property, generating the Real and Personal Property Tax Roll and administering the Motor Vehicle Excise Tax. In FY16, North Andover had 10,105 taxable real estate parcels and 830 taxable personal property accounts for a total taxable value of \$4,459,036,465. The FY16 Real and Personal Property Taxes totaled \$67,111,166.86. Calendar 2014 Motor Vehicle Excise taxes were \$4,107,364.37. The combined total, \$71,218,531.23 is 71.01 % of the Town's Estimated FY16 Revenue.

The Assessor's Office processes all statutory and CPA exemptions, Chapter Land Classification Applications, and Application for Abatement. The Office defends values at the Appellate Tax Board, maintains an "In House" Mass Appraisal System containing the Town's Real Estate Records, updates the Towns Cadastral Maps, GIS base map and property ownership information. The Assessor's Office analyzes real estate sales and financial data annually and performs interim year valuation adjustments as required. Department of Revenue Statistical criteria are met and exceeded, insuring values which are uniform and fewer appeals. The triennial revaluations are performed in house with some extra consulting on the commercial. FY16 is a triennial revaluation year.

SIGNIFICANT CHANGES

The basic functions of the Office are governed by Revenue statutes and Department of Revenue Regulations. The Regulations are getting more complicated. The computer software upgrades require a longer learning curve. The Office is using statistics programs like SPSS and NCSS more as well as constructing more complicated analytical spreadsheets.

The office implemented redesigned record structure and property record cards for condominium records on the CAMA system. The data from the condominium recollection program was entered into the new records. The DOR had mandated that all residential condominiums be physically inspected and all detached and/or Townhouse Style condominiums be sketched and put on the CAMA system.

PRIOR YEAR ACCOMPLISHMENTS

- The Assessor's Office completed the FY16 Triennial Revaluation and Certification of all Real and Personal Property. The office obtained final certification from the Department of Revenue on October 30, 2015. This was the earliest final certification date achieved.
- The Assessor's Office completed the recollection of the descriptive data for all residential condominiums and entered it into the new record system. There are currently 2,084 residential condominium units for FY16.
- The Assessor's Office produced \$630,615 in tax levy New Growth. The FY16 budget estimate was \$600,000.
- The Assessor's Office processed all 66 FY15 abatement applications before the May 1, 2015 deadline. The pending Appellate Tax Board Real Estate Cases were settled. The FY16 Full

Revaluation and Tax Rate submissions to the DOR were completed in a timely manner. The office began analyzing 2015 sales for the FY16 Triennial Revaluation in November of 2015.

FY17 GOALS

- Complete an Interim Year Update of all Real and Personal Property for FY17 with submission of the documentation to the Department of Revenue in the Fall of 2016.
- Complete all abatement reviews in a timely fashion by May 1, 2016 except for where an extension has been granted.
- Begin the inspection and data recollection of all properties for the new nine year cyclical inspection mandate, per the FY19 Certification Directives.
- Perform all the annual work required following the tax cycle before December 1, 2016. (For example: prepare tax rolls, name changes, update maps, check building permits etc.)
- Continue formal educational training for staff as classes become available.
- Begin researching alternative to current mass appraisal system for implementation in FY18.

Assessors Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Salaries, Full-Time	\$ 197,513	\$ 201,584	\$ 206,688	\$ 211,853	\$ 211,853	\$ 5,165	2.5%
Wages, Part-Time	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 0	0.0%
Longevity	\$ 2,775	\$ 2,775	\$ 3,195	\$ 3,940	\$ 3,940	\$ 745	23.3%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 210,288	\$ 214,359	\$ 219,883	\$ 225,793	\$ 225,793	\$ 5,910	2.7%
Expenses							
Repairs & Maintenance	\$ 7,228	\$ 7,793	\$ 8,432	\$ 10,300	\$ 10,300	\$ 1,868	22.2%
Outside Professional Services	\$ 63,400	\$ 67,865	\$ 65,128	\$ 71,000	\$ 71,000	\$ 5,872	9.0%
Advertising	\$ 150	\$ 155	\$ -	\$ 350	\$ 350	\$ 350	#DIV/0!
Conferences In State	\$ 215	\$ 355	\$ 630	\$ 100	\$ 1,000	\$ 370	58.7%
Training & Education	\$ 1,655	\$ 938	\$ 1,120	\$ 3,500	\$ 3,500	\$ 2,380	212.5%
Telephone	\$ 570	\$ 570	\$ 572	\$ 600	\$ 600	\$ 28	4.9%
Postage Services	\$ 2,992	\$ 3,021	\$ 3,426	\$ 3,000	\$ 3,000	\$ (426)	-12.4%
Binding	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	#DIV/0!
Plans & Mapping	\$ 6,500	\$ 2,720	\$ 7,580	\$ 4,000	\$ 4,000	\$ (3,580)	-47.2%
Office Supplies	\$ 8,009	\$ 7,364	\$ 6,197	\$ 3,000	\$ 3,000	\$ (3,197)	-51.6%
Printing & Forms	\$ 339	\$ 460	\$ 570	\$ 800	\$ 800	\$ 230	40.4%
Vehicle Fuel	\$ 237	\$ 200	\$ 108	\$ 550	\$ 550	\$ 442	411.2%
Uniforms & Clothing	\$ 125	\$ 150	\$ 175	\$ 175	\$ 175	\$ -	0.0%
Auto Mileage	\$ 382	\$ 105	\$ 816	\$ 600	\$ 600	\$ (216)	-26.5%
Dues/ Memberships & Subscriptions	\$ 5,711	\$ 5,600	\$ 6,874	\$ 5,830	\$ 5,830	\$ (1,044)	-15.2%
Other Charges & Expenses	\$ 71	\$ 110	\$ 286	\$ 500	\$ 500	\$ 214	75.0%
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Expense Costs	\$ 97,585	\$ 97,405	\$ 101,912	\$ 105,305	\$ 106,205	\$ 4,293	4.2%
Total: Assessing Office	\$ 307,872	\$ 311,764	\$ 321,795	\$ 331,098	\$ 331,998	\$ 10,203	3.2%

Assessors Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE + / (-)
Assessor	Assessors	1	1	1	1	0
	Assistant Assessor	2	2	2	2	0
	Department Assiatant	0.75	0.75	0.75	0.75	0
Total		3.75	3.75	3.75	3.75	0

TREASURER/COLLECTOR

MISSION STATEMENT

The mission of the North Andover Treasurer/Collectors office is to bill, collect, invest, borrow, safeguard and disburse monies in an accurate and professional manner.

SIGNIFICANT CHANGES

There were several significant personnel changes including the hiring of Brian Conway as the new Treasurer/Collector. There was a change in the tax collections software utilized by the office. The previously utilized Govern software was replaced by MUNIS collections software. With this change, the Town collections' software is now fully integrated with the Accounting Department's general ledger software.

PRIOR YEAR ACCOMPLISHMENTS

- Implemented new tax billing software to be integrated with new general ledger software.
- Initiated conversion to new utility billing software to be integrated with new general ledger software by July 1, 2017.

FY17 GOALS

- Re-organize new office space and files with an eye toward enhancing efficiency by purging and eliminating unnecessary and unrequired items by December 31, 2016.
- Turn around bank statement reconciliations in 30 days or less for each month during the fiscal year.
- Treasurer to commence attending annual Massachusetts Treasurer/Collector school in August 2016 in order to obtain certification as a Massachusetts Municipal Certified Treasurer upon successful completion of the three-year course of study and examination.
- Staff to commence attending annual Staff School sponsored by the Massachusetts Collectors Treasurers Association in September 2016 in order to enhance and expand knowledge of office subject matters.
- Write off/abate old receivables with the assistance of the Assessor's office no later than June 30, 2017.
- Complete conversion to new utility billing software for implementation by June 30, 2017.

Treasurer Collector Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Request	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries, Full-Time	\$ 182,528	\$ 186,019	\$ 200,941	\$ 202,812	\$ 202,812	\$ 1,871	0.9%
Wages, Part-Time	\$ 166	\$ 2,457	\$ 9,252	\$ -	\$ -	\$ (9,252)	
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Longevity	\$ 3,100	\$ 3,200	\$ 3,156	\$ 2,275	\$ 2,275	\$ (881)	-27.9%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 185,794	\$ 191,675	\$ 213,349	\$ 205,087	\$ 205,087	\$ (8,262)	-3.9%
Expenses							
Repairs & Maintenance	\$ -	\$ 0	\$ -	\$ 240	\$ 240	\$ 240	#DIV/0!
Outside Professional Services	\$ 12,133	\$ 11,940	\$ 12,799	\$ 10,800	\$ 10,800	\$ (1,999)	-15.6%
Data Processing	\$ 17,730	\$ 7,550	\$ 12,125	\$ 14,500	\$ 14,500	\$ 2,375	19.6%
Tax Title/ Foreclosure	\$ 14,312	\$ 21,002	\$ 27,065	\$ 20,700	\$ 20,700	\$ (6,365)	-23.5%
Training & Education	\$ 485	\$ 1,235	\$ 455	\$ 5,000	\$ 5,000	\$ 4,545	999.4%
Postage Services	\$ 46,537	\$ 56,116	\$ 57,460	\$ 61,500	\$ 61,500	\$ 4,040	7.0%
Office Supplies	\$ 4,842	\$ 3,145	\$ 3,703	\$ 5,000	\$ 5,000	\$ 1,297	35.0%
Printing & Forms	\$ 17,095	\$ 12,954	\$ 16,756	\$ 13,500	\$ 13,500	\$ (3,256)	-19.4%
Uniforms & Clothing	\$ 375	\$ 450	\$ 525	\$ 525	\$ 525	\$ -	0.0%
Auto Mileage	\$ 258	\$ 372	\$ 123	\$ 200	\$ 200	\$ 77	62.7%
Dues/ Memberships & Subscriptions	\$ 357	\$ 367	\$ 250	\$ 400	\$ 400	\$ 150	60.0%
Other Charges & Expenses	\$ 115	\$ 502	\$ 4,154	\$ 200	\$ 200	\$ (3,954)	-95.2%
Total: Expense Costs	\$ 114,239	\$ 115,633	\$ 135,416	\$ 132,565	\$ 132,565	\$ (2,851)	-2.1%
Total: Treasury Costs	\$ 300,033	\$ 307,308	\$ 348,765	\$ 337,652	\$ 337,652	\$ (11,113)	-3.2%

Treasurer Collector Personnel Listing						
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE + / (-)
Treasurer	Treasurer Collector	1	1	1	1	0
	Department Assistant	2	2	2	2	0
	Principal Assistant	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		4	4	4	4	0

TOWN CLERK

MISSION STATEMENT

The Town Clerk's Office is dedicated to providing efficient, competent, and courteous service to our customers. The Office is the gateway to public information, records preservation for today and future generations, election and voting services, licensing for the Town, and a Passport Agency. Notary public and Justice of the Peace Services are provided to the public. The Town Clerk's Office operates in a professional and automated environment and always seeks to maintain fiscal responsibility to the taxpayers of North Andover.

SIGNIFICANT CHANGES

The Town Clerk's Office is constantly adjusting to extensive legislative changes and additional demand for services. Mandates continue as Ethics Monitoring, Open Meeting Law, and Campaign Finance Reporting have expanded and require extensive additional resources without additional funding available. The full implementation of birth and death certificate processing has totally automated how we process records. Election law changes and mandates will require monitoring and early voting requirements. The relocation of Town Hall has put significant challenges on election preparation and ballot testing and storage. The Presidential Primary, Town Election and State Primary will require storage and testing challenges being in two locations. The office now has on-line voter registration which while making it easier for the public, makes it more difficult to approve and implement. The office continues being a passport agency. During Town Hall renovation, the vital records are all in the vault location at 120 Main Street. Fortunately because of a concerted scanning effort, the office is able to produce certified copies in a timely fashion. It will be a challenge to maintain personal contact with citizens in the era of instant technology.

Transition of personnel as Assistant Town Clerk position filled by Suzanne Pelich. Senior Clerk position taken over by Patricia Sifferlen. Angela Ciofalo came on board in the shared position with the Finance Committee.

PRIOR YEAR ACCOMPLISHMENTS

- Successfully implemented the new death certificate on-line system with State Vital Records.

- Processed over 13,000 census forms.
- Annual Town Election completed with no issues.
- Annual Town Meeting completed in one night; all articles approved by Attorney General.
- The issuance of passports continues in the Town Clerk's office through very stringent changes in Vital Record issuance. Complex passports are processed because of a diverse population and reputation for accuracy and assistance.
- Ethics mandates have been updated and a system implemented to track.
- License renewals, under the auspices of the Licensing Commissioners, were all processed and completed. New businesses are important to the Town's economic future and the office is committed to making their experience pleasant and efficient. Improvements are implemented every year to make the issuance and renewals more user-friendly to business owners. The Alcoholic Beverages Control Commission is in the process of implementing on-line applications and renewals.
- Prepared filings and assured that all candidates were in full compliance with Office of Campaign and Political Finance Requirements. This is a constant challenge as new legislation is in place.
- Continued the complicated Open Meeting Law and Ethics requirements with tracking and postings implemented. There are over 2,500 potential required employees, Board and Committee members and vendors to monitor.
- Continued to automate Dog Licenses (producing over \$45,000 in revenue). The safety of the public is protected because of diligent attention to monitoring rabies vaccination and owner compliance. The office has established automated renewals working with vendors to streamline the process.
- Business Certificates for compliance and optimum revenue were coordinated with the Inspector of Buildings to monitor zoning issues. Department of Revenue mandates have increased processing time and needed record keeping. Automated programs will assist in compliance and efficiency and enhance revenue through improved renewal process.
- The office continued to maintain a high level of customer service as demands increase. The Town Clerk's staff is committed to our residents.

FY17 GOALS

- Work with IT Department to make more forms and processes available on Town's web site by October 1, 2016.
- Improve Ethics distribution, compliance of on-line training, monitoring of test compliance, and assure all Boards and Committees are up to date by September 1, 2016.
- Improve on-line voter registration and census process in preparation of the 2016 Presidential Election. Early voting will be implemented by October 1, 2016.
- Continue to work with School Department regarding monitoring of Kindergarten Registration through June 2017. This allows for updating of voter registration and census updates on a timely basis.
- Continue to assist with town-wide implementation of Laserfiche and expand departmental use, necessary to be in compliance with Open Meeting Law requirements for posting and retention of meeting documents by September 30, 2016.
- Review indexing of electronic documents and purge documents, as necessary, in Laserfiche by June 30, 2017.
- Bring all elected officials into compliance with Campaign Finance Reports for year-end filings and election filings by April 2016 to assure proper filing deadlines.
- Enhance training for all staff to expand their knowledge and training by attending local seminars in the region by June 30, 2017.
- Complete all elections by November 2016.

Town Clerk Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries, Full-Time	\$ 190,453	\$ 194,707	\$ 194,683	\$ 205,027	\$ 205,027	\$ 10,344	5.3%
Wages, Part-Time	\$ 2,160	\$ 2,335	\$ 11,789	\$ 2,160	\$ 2,160	\$ (9,629)	-81.7%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Longevity	\$ 2,375	\$ 2,575	\$ 2,600	\$ 2,975	\$ 2,975	\$ 375	14.4%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 194,989	\$ 199,618	\$ 209,072	\$ 210,162	\$ 210,162	\$ 1,090	0.5%
Expenses							
Repairs & Maintenance	\$ 2,055	\$ 1,800	\$ 2,508	\$ 4,000	\$ 4,000	\$ 1,492	59.5%
Equipment Rental/ Lease	\$ 6,325	\$ 4,975	\$ 7,808	\$ 8,000	\$ 8,000	\$ 192	2.5%
Outside Professional Services	\$ 195	\$ 280	\$ 456	\$ 10,000	\$ 10,000	\$ 9,544	2093.0%
Census	\$ -	\$ 200	\$ 1,034	\$ -	\$ -	\$ -	
Contract Services	\$ -	\$ -	\$ 2,616	\$ -	\$ -	\$ -	
Training & Education	\$ 1,159	\$ 795	\$ 356	\$ 1,800	\$ 1,800	\$ 1,445	406.3%
Postage Services	\$ 6,141	\$ 11,408	\$ 7,226	\$ 14,000	\$ 14,000	\$ 6,774	93.7%
Binding	\$ 815	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	
Election Expenses	\$ 3,802	\$ 5,652	\$ 9,450	\$ 7,000	\$ 7,000	\$ (2,450)	-25.9%
Town Meeting Expenses	\$ 8,232	\$ 6,834	\$ 3,577	\$ 7,000	\$ 7,000	\$ 3,423	95.7%
Election & Meeting Workers	\$ 15,731	\$ 47,804	\$ 31,259	\$ 48,000	\$ 48,000	\$ 16,742	53.6%
Outside Detail	\$ 2,893	\$ 7,930	\$ 8,545	\$ 6,800	\$ 6,800	\$ (1,745)	-20.4%
Office Supplies	\$ 5,862	\$ 4,024	\$ 7,827	\$ 6,000	\$ 6,000	\$ (1,827)	-23.3%
Printing & Forms	\$ 3,158	\$ 5,881	\$ 6,257	\$ 7,500	\$ 7,500	\$ 1,243	19.9%
Annual Reports	\$ 9,928	\$ 9,045	\$ 9,004	\$ 10,000	\$ 10,000	\$ 996	11.1%
Uniforms & Clothing	\$ 250	\$ 300	\$ 175	\$ 350	\$ 350	\$ 175	100.0%
Auto Mileage	\$ 300	\$ -	\$ -	\$ 850	\$ 850	\$ 850	
Dues/ Memberships & Subscriptions	\$ 435	\$ 445	\$ 253	\$ 550	\$ 550	\$ 297	117.4%
Total: Expense Costs	\$ 67,281	\$ 107,373	\$ 98,350	\$ 132,850	\$ 132,850	\$ 38,150	35.1%
Total: Town Clerk Costs	\$ 262,269	\$ 306,990	\$ 307,422	\$ 343,012	\$ 343,012	\$ 39,239	11.6%

Town Clerk Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE +/-(-)
Town Clerk	Town Clerk	1	1	1	1	0
	Assistant Town Clerk	1	1	1	1	0
	Department Assitant	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>0</u>
Total		4	4	4	4	0

CONSERVATION DEPARTMENT

MISSION STATEMENT

The Conservation Department and Conservation Commission are charged with implementing the Massachusetts Wetlands Protection Act, a law that requires landowners and project proponents to file with the Commission whenever their activities occur in or in close proximity to rivers, streams, lakes, ponds, wetlands, floodplains and riparian areas. In addition, the Conservation Department and Commission administer the North Andover Wetlands Protection Bylaw, acquire and manage conservation land, launch environmental education programs and provide leadership and advice on the protection of natural resources in the community.

SIGNIFICANT CHANGES

There have been no significant changes in the Conservation Department for the past year.

PRIOR YEAR ACCOMPLISHMENTS

- Updated the Bylaw Regulations to incorporate changes made to the Wetland Protection Act Regulations. Changes included adding categories to the Small Project Permit and instituting a fee for wetland delineation review over 100 linear feet.
- Continued work on the Open Space Plan update with the assistance of Brown Walker Planners of Newburyport and Merrimack Valley Planning Commission (MVPC). The plan is taking longer than expected due to extensive research being done to verify that the list of town owned parcels, conservation restrictions, easements, Chapter 61 lands, PRD protected lands, and other relevant parcels is accurate and up to date. MVPC has completed an update to the maps and final work is complete and the plan is ready for submission to the EOEEA.
- Processed twenty-four (24) Notices of Intent, thirty three (33) Requests for Determinations, twenty-five (25) Small Projects, five (5) Abbreviated Notices of Resource Area Delineation, thirty three (33) Certificates of Compliance, and two (2) extension requests, two (2) amendments/modifications for a total of 133 Permits. In addition, numerous Emergency Certifications and Enforcement Orders were issued.
- Received a Community Forest Stewardship Implementation Grant in the amount of \$11,790 to conduct forest stewardship activities at Osgood Hill. A selective timber harvest was conducted in March of 2015. Work to monitor the harvested area and conduct additional invasive species removal will continue into the new fiscal year. The town received a reimbursement for the

forest management activities in the amount of \$9,274. The remainder of the grant monies will be received when invasive species work is finished in the coming year.

- Significant projects included: completion of construction at Pentucket Bank in the Butcher Boy Marketplace, start of construction and monitoring activities at the Berry Street/Riding Academy 40B, permitting of a demolition and reconstruction at the West Mill on High Street, permitting of runway safety areas at the Lawrence Municipal Airport and a sewer maintenance project for the Greater Lawrence Sanitary District (GLSD). A new subdivision was also permitted on Great Pond Road, construction continued on the Regency Place subdivision and the final houses in the Molly Towne Subdivision were permitted and are under construction. Brooks School replaced a portion of the stone retaining wall in Lake Cochichewick that supports their floating docks. The Department of Public Works permitted a new sewer pump station at Rea's Pond and Mass DOT permitted storm water improvements at the I495/Mass Avenue interchange. The Friends of North Andover Trails renewed their trail maintenance permit.
- NPDES Public Education: continue installation, maintenance and monitoring of dog waste stations at open space properties and work with Greenscapes including a program at the library to educate citizens on water conservation and the use of native landscape plantings. This was held in conjunction with the Ipswich River Watershed Association and the North Andover Wildlife Team.
- Open Space efforts included: installation of wood duck boxes along Mosquito Brook, marking of trails at Windrush Farm, continued efforts to remove invasive species at Osgood Hill; forest stewardship walk at Osgood Hill following the timber harvest; trail maintenance at the Ridge and Scout Trails at Mazurenko Farm by Friends of North Andover Trails (FONAT). FONAT holds trail work days, often on town open space, the first Saturday of the month spring through fall. Conservation restriction monitoring was conducted at Boston Hill.

FY17 GOALS

- Continue public education for NPDES MS4 permitting requirements and tracking of ongoing projects through May of 2017. Implement new permit requirements as needed.
- Continue catch basin marking at elementary schools and stencil basins where markers are not adhering by September 1, 2016.
- Work with Eagle Scouts and Friends of North Andover Trails to improve stream crossing and guard rail at Mazurenko Farm by November 30, 2016.
- Marking of Legacy Trees at Osgood Hill by December 31, 2016.

- Pursue grant funding to provide new Forest Management Plan for Windrush Farm by December 1, 2016.
- Continue monitoring of Conservation Restrictions through November 30, 2016.
- Continue electronic storage of files through June 30, 2017.
- Continue work on Lake Cochichewick committee including annual cleanup in October 31, 2016 and management plan for boat storage by August 31, 2016.

Conservation Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries, Full-Time	\$ 82,228	\$ 105,411	\$ 109,685	\$ 109,941	\$ 109,941	256	0.2%
Wages, Part-Time	\$ -	\$ 158	\$ -	\$ -	\$ -	-	
Longevity	\$ 938	\$ 1,350	\$ 1,350	\$ 1,400	\$ 1,400	50	3.7%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	-	
Total: Personnel Costs	\$ 83,165	\$ 106,919	\$ 111,035	\$ 111,341	\$ 111,341	\$306	0.3%
Expenses							
Advertising	\$ 119	\$ 155	\$ 164	\$ 200	\$ 200	36	21.9%
Conferences and Meetings	\$ 716	\$ 1,390	\$ 570	\$ 1,950	\$ 1,950	1,380	242.1%
Telephone	\$ 1,424	\$ 1,581	\$ 1,220	\$ 1,592	\$ 1,592	372	30.5%
Postage Services	\$ 300	\$ 200	\$ 400	\$ 400	\$ 400	-	0.0%
Storm Water Permitting	\$ 1,743	\$ 1,065	\$ 1,251	\$ 2,500	\$ 2,500	1,249	99.8%
Office Supplies	\$ 86	\$ 66	\$ 181	\$ 300	\$ 300	119	66.1%
Printing & Forms	\$ -	\$ 1,200	\$ -	\$ 1,250	\$ 1,250	1,250	#DIV/0!
Vehicle Fuel	\$ 603	\$ 472	\$ 328	\$ 500	\$ 500	172	52.3%
Uniforms & Clothing	\$ 202	\$ 281	\$ 534	\$ 400	\$ 400	(134)	-25.1%
Publications & Maps	\$ -	\$ -	\$ 165	\$ 200	\$ 200	35	21.2%
Auto Mileage	\$ 107	\$ 267	\$ 229	\$ 650	\$ 650	421	183.3%
Dues/ Memberships & Subscriptions	\$ 770	\$ 765	\$ 749	\$ 1,125	\$ 1,125	376	50.2%
Other Charges and Expense	\$ -	\$ -	\$ 1,728	\$ -	\$ -	(1,728)	-100.0%
Total: Expense Costs	\$ 6,070	\$ 7,441	\$ 7,520	\$ 11,067	\$ 11,067	\$3,547	47.2%
Total: Conservation Costs	\$ 89,236	\$ 114,361	\$ 118,555	\$ 122,408	\$ 122,408	\$3,853	3.2%

Conservation Personnel Listing						
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE +/(-)
General Fund						
Conservation	Conservation Administrator	1	1	1	1	0
	Department Assistant	<u>0.5</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		1.5	2	2	2	0
Revolving Fund						
Conservation	Field Inspector	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		1		1	1	0

COMMUNITY AND ECONOMIC DEVELOPMENT

MISSION STATEMENT

The mission of the Community and Economic Development Division (CEDD) is to institute and oversee programs and policies that improve the quality of life for North Andover residents and promote business development and economic growth. Included in this are the efforts to: uphold the public interest; set and advance the town's vision for the future; control and monitor the physical growth within the town; and protect and enhance the public health.

SIGNIFICANT CHANGES

There have been no significant changes in the CEDD for the past year.

PRIOR YEAR ACCOMPLISHMENTS

- Community and Economic Development is the division manager for Building, Planning, Conservation, Health, Zoning and Stevens Estate departments. In order to improve customer access, expedite, and provide more transparency to the permitting process, this office began on-line permitting (electrical, gas and plumbing) in February 2016. Also, in order to make public viewing of property records more thorough and easier to access, a record retention plan and electronic data storage was instituted for all departments that is in compliance with Massachusetts Record Retention Policy.
- During FY16, there has been an increase in commercial activities within the downtown district. Zoning overlay revisions were passed at May 2015 Town Meeting to help with the site planning for future development of the former Davis & Furber mill complex. Buildout activities are progressing well, including construction of market rate residential units and site work (demolition of 80,000 sf building). Similar to its successful marketing of the 235,000 sf East Mill complex, the owners are following a small tenant leasing strategy to fill the 300,000± sf commercial space of the West Mill complex. This is part of a “live-work-play” master plan for the property. Additionally, transformation of the former Bradstreet School has begun. Construction of the apartment building is expected to be completed by next summer with 15 market rate units coming on line. The 18,000± sf commercial building will be constructed during the 2016 construction season. Commercial tenants are expected to come on line the first quarter of 2017.
- Commercial development along the Route 114 corridor has involved the normal activities associated with its various retail plazas and industrial park properties. Some notable additions have been B Good Burger and Subway at Eaglewood Plaza; Dottie Delight's at the Jasmine Plaza; and Georgetown Bank, which is relocating to the Crossroads Plaza. Further out toward Middleton, there are multi-family residential developments underway (Berry Farms and Merrimack Condo developments). Two businesses (light industrial/ retail) are looking to locate along this stretch of Route 114 in the first half of 2016 that, if approved, will create a more vibrant and attractive entranceway into North Andover.

- Some positive activities have been seen within the Route 125 corridor. At 351 Holt Road, the 258,000 sf “Solo Cup” site, some interior work to help make the property more attractive to potential developers was performed, and the owners of the long-vacant 14-acre former Forgetta Farm site sought potential partners to create a mixed-use “village-type” development of the property. Finally, the owners of Osgood Landing continued to market the 530 residential component of the 40R smart growth project. A six megawatt solar installation to be installed on the property progressed through plan approval process with hope that this will help attract greater redevelopment at the site. The Community and Economic Development, along with key Town officials, has met with key government (state, federal and regional) officials and staff to push the redevelopment of this critical site, including the Secretary of Housing and Economic Development, the Massachusetts Office of Business Development, Mass Life Sciences and MassBio.
- Community Development serves on several regional boards including the Merrimack Valley Planning Commission CEDS Committee. The office also serves as the Town Manager’s representative to the Merrimack Valley Regional Transit Authority (MVRTA) Advisory Board and as Associate Member of the Merrimack Valley Planning Commission.

FY17 GOALS

- Promote business retention and expansion and promote cultural and quality of life activities through June 30, 2017
- Initiate a phased Master Plan process that sets the vision and direction of the town’s community and economic development through June 30, 2017.
- Initiate and complete recodification of the zoning bylaws (Phase I of Master Plan process) July - September 2016.
- Put all remaining permit and approval forms from all departments on-line by December 31, 2016;
- Advance the diversity of housing – in particular, 55+ residential development and assisted living development to assure that this population has affordable options to remain in North Andover by June 30, 2017
- Promote additional regional collaboration among departments and regional organizations through June 30, 2017.
- Increase and enhance the utilization of the Stevens Estate as both an economic driver and a community asset to serve Town residents through June 30, 2017

Community Development Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries, Full-Time	\$ 144,469	\$ 189,713	\$ 202,943	\$ 129,061	\$ 129,061	\$ (73,882)	-36.4%
Longevity	\$ 1,650	\$ 1,344	\$ 1,650	\$ 1,975	\$ 1,975	\$ 325	19.7%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 146,119	\$ 191,057	\$ 204,593	\$ 131,036	\$ 131,036	\$ (73,557)	-36.0%
Expenses							
Utilities	\$ 20,760	\$ 20,760	\$ 16,545	\$ 1,625	\$ 1,625	\$ (14,920)	-90.2%
Repairs & Maintenance	\$ 841	\$ 746	\$ 1,080	\$ 1,000	\$ 1,000	\$ (80)	-7.4%
Equipment Rental/ Lease	\$ 4,807	\$ 5,074	\$ 6,293	\$ 6,895	\$ 6,895	\$ 602	9.6%
Outside Professional Services	\$ 15,874	\$ 25,139	\$ 15,772	\$ 110,000	\$ 110,000	\$ 94,228	597.5%
Advertising	\$ 960	\$ 1,837	\$ 615	\$ 1,000	\$ 1,000	\$ 385	62.6%
Conferences and Meetings	\$ 1,411	\$ 1,276	\$ 1,270	\$ 1,500	\$ 1,500	\$ 230	18.1%
Training & Education	\$ 382	\$ 3,744	\$ -	\$ 500	\$ 500	\$ 500	#DIV/0!
Telephone	\$ 892	\$ 586	\$ 705	\$ 900	\$ 900	\$ 195	27.7%
Postage Services	\$ 710	\$ 592	\$ 1,052	\$ 650	\$ 650	\$ (402)	-38.2%
Office Supplies	\$ 5,249	\$ 4,135	\$ 5,678	\$ 4,500	\$ 4,500	\$ (1,178)	-20.8%
Printing & Forms	\$ -	\$ 136	\$ -	\$ 200	\$ 200	\$ 200	#DIV/0!
Moving Expenses	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	#DIV/0!
Auto Mileage	\$ 1,284	\$ 1,664	\$ 1,077	\$ 2,300	\$ 2,300	\$ 1,223	113.5%
Dues/ Memberships & Subscriptions	\$ 908	\$ 1,252	\$ 420	\$ 2,050	\$ 2,050	\$ 1,630	387.5%
Other Charges & Expenses	\$ 692	\$ 2,050	\$ 523	\$ 2,050	\$ 2,000	\$ 1,477	282.8%
Lease of Offices/ Buildings	\$ -	\$ -	\$ 42,021	\$ 16,875	\$ 28,125	\$ (13,896)	
Total: Expense Costs	\$ 54,769	\$ 68,992	\$ 93,051	\$ 157,045	\$ 168,245	\$ 75,194	80.8%
Total: Community Develop. Costs	\$ 200,888	\$ 260,049	\$ 297,643	\$ 288,081	\$ 299,281	\$ 1,638	0.6%

Community Development Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE + / (-)
Community Development	Director	1	1	1	1	0
	Assistant Director	0	0	1	0	-1
	Administrative Assistant	<u>1</u>	<u>1</u>	<u>1</u>	<u>0.7</u>	<u>-0.3</u>
Total		2	2	3	1.7	-1.3

PLANNING DEPT

MISSION STATEMENT

The Planning Department of the Community and Economic Development Division advises the Town of North Andover, including the Board of Selectmen, the Town Manager, and all appointed Boards and Commissions, residents, the business community and the general public on current land use and development issues. The Planning Department also maintains the Zoning Bylaw and maps that provide the policy and regulatory basis for land use and development as mandated by State and local laws.

The Planning Department is committed to providing the community with high-quality, proactive services and programs to enhance the quality of life of the Town's residents, businesses and visitors, and to promote a well-designed, physically integrated, livable and prosperous community. The Department oversees all applications for Subdivisions, as well as Special Permits as required by the Zoning Bylaw.

SIGNIFICANT CHANGES

The Planning Department was restructured during the current year to bolster the planning efforts and the Master Plan update to be initiated in FY17.

PRIOR YEAR ACCOMPLISHMENTS

- To date, for FY16, the Planning Board issued the following decisions:
 - ✓ Site Plan Review Modification 2
 - ✓ Watershed Special Permit 2
 - ✓ Definitive Subdivision 1
 - ✓ Planned Residential Development 1
 - ✓ OSGOD Plan Approval 1
 - ✓ Approval Not Required (ANR) 5

Currently there are two Site Plan Review applications, a Watershed Special Permit application, and a Definitive Subdivision Plan application before the Board.

- Submitted Warrant Articles and gained approval to establish a Downtown Overlay Sub-district A: Historic Mill Area, and a zoning map corrections for the Downtown Overlay District and the Machine Shop Village Neighborhood Conservation District. The creation of the Downtown Overlay Sub-district A: Historic Mill Area will provide a greater opportunity for creative development by encouraging mixed residential and commercial development, so that it is compatible with existing and neighboring residential properties.

- The Planning Department has served to assist the North Andover Affordable Housing Trust, advancing the Trust's outreach agenda through creation of a town website, adoption of a mission statement, and development of a letter and Notice of Funding Availability to be distributed among developers of affordable housing. In September 2015 the Affordable Housing Trust formed a successful partnership with Bread & Roses Housing to purchase 64-66 May Street in order to provide two additional affordable homes in North Andover.
- Long term department projects include:
 - ✓ Ongoing coordination with the Merrimack Valley Regional Planning Agency.
 - ✓ Creation of a Multi-Use Path to provide a recreational facility for walker and bicyclists throughout the town.
 - ✓ On-going maintenance and updating of the Planning Department's Procedure Manual.
 - ✓ Identification, execution, and completion of a successful affordable housing project leveraging funding provided through the Affordable Housing Trust.
 - ✓ Implementation of online permitting software
 - ✓ Ongoing scanning of previously issued permits and purging of Planning Department files.

FY17 GOALS

- Prepare for and facilitate the transition to Viewpoint permitting software, leveraging the software to expedite permit awards, provide more transparency to the permitting process, and improve customer access to previously awarded permits to be complete by December 31, 2016.
- Complete and submit required MA Record Retention forms and purge approved documents by November 1, 2016.
- Work with the Affordable Housing Trust to implement plans to provide housing for "special needs" populations, including low income, veterans, the disabled and the elderly. The Trust is exploring collaborations with local service providers to provide housing for these populations. This is an on-going effort through June 2017.

Planning Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries, Full-Time	\$ 97,187	\$ 50,055	\$ 66,164	\$ 151,359	\$ 151,359	\$ 85,195	128.8%
Salaries - Part Time	\$ 372	\$ -	\$ -	\$ -	\$ -	\$ -	
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Longevity	\$ 525	\$ -	\$ -	\$ -	\$ -	\$ -	
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 98,084	\$ 50,055	\$ 66,164	\$ 151,359	\$ 151,359	\$ 85,195	128.8%
Expenses							
Outside Professional Services	\$ 5,235	\$ -	\$ 3,000	\$ 4,000	\$ 4,000	\$ 1,000	33.3%
Advertising	\$ 619	\$ 1,749	\$ 1,818	\$ 2,000	\$ 2,000	\$ 182	10.0%
Conferences and Meetings	\$ 430	\$ 214	\$ 400	\$ 750	\$ 750	\$ 350	87.5%
Training & Education	\$ 75	\$ 342	\$ 60	\$ 1,400	\$ 1,400	\$ 1,340	2233.3%
Telephone	\$ 690	\$ 740	\$ 595	\$ 700	\$ 700	\$ 105	17.7%
Postage Services	\$ 500	\$ 400	\$ 913	\$ 600	\$ 600	\$ (313)	-34.3%
Storm Water Permitting Mandate	\$ 1,000	\$ 600	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	
Office Supplies	\$ 393	\$ 217	\$ 72	\$ 500	\$ 500	\$ 428	595.7%
Printing & Forms	\$ 674	\$ 358	\$ 410	\$ 500	\$ 500	\$ 90	22.0%
Uniforms & Clothing	\$ 125	\$ 111	\$ 175	\$ 175	\$ 175	\$ -	0.0%
Publications & Maps	\$ 185	\$ 195	\$ 213	\$ 1,000	\$ 1,000	\$ 787	369.6%
Auto Mileage	\$ 426	\$ 45	\$ -	\$ 250	\$ 250	\$ 250	
Dues/ Memberships & Subscriptions	\$ 490	\$ -	\$ 255	\$ 600	\$ 600	\$ 345	135.3%
Other Charges & Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Expense Costs	\$ 10,841	\$ 4,972	\$ 7,911	\$ 13,475	\$ 13,475	\$ 5,564	70.3%
Total: Planning Cost	\$ 108,925	\$ 55,027	\$ 74,075	\$ 164,834	\$ 164,834	\$ 90,759	122.5%

Planning Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE +/-(-)
Planning	Director of Planning//town Plann	1	1	1	1	0
	Staff Planner	0	0	0	1	1
	Department Assistant	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		2	2	2	3	1

BOARD OF APPEALS

MISSION STATEMENT

The Board of Appeals is authorized to hear appeals from and review any order or decision made by the Zoning Enforcement Officer with respect to the Town's Zoning Regulations. The Board is authorized to grant either a use variance, which allows the applicant to use the land for a purpose not otherwise allowed or prohibited by the regulations, or to grant an area variance, which allows the applicant to vary the dimensional or physical requirements of the applicable zoning regulation (i.e. setback distance).

SIGNIFICANT CHANGES

- Douglas Ludgin replaced Richard Byers as Regular Board Member in July 2015. Alexandria Jacobs and Nathan Weinreich were appointed Associate Members in July 2015.

PRIOR YEAR ACCOMPLISHMENTS

- Began record retention and electronic data storage procedures including scanning and purging of back files and scanning of all new property records thereby improving customer access to previously filed variances and decisions.
- Managed and guided applicants through the appeals process by keeping an ongoing line of communication with the applicants, staff and Board Members.

FY17 GOALS

- Prepare for and facilitate the transition to ViewPoint on-line permitting software to expedite and provide more transparency to the appeals process by December 2016.
- Complete electronic data scanning and storage of all back files by October 2016.

Board of Appeals

Expense Line Item Personnel	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Request	2017 ADOPTED	Dollar Change	Percent Change
Salaries Full-Time	\$ 35,791	\$ 29,115	\$ 15,893	\$ 15,715	\$ 15,715	\$ (178)	-1.1%
Longevity	\$ -	\$ 525	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 35,791	\$ 29,640	\$ 15,893	\$ 15,715	\$ 15,715	\$ (178)	-1.1%
Expenses							
Advertising	\$ -	\$ -	\$ -	\$ 150	\$ 150	\$ 150	#DIV/0!
Training & Education	\$ 65	\$ -	\$ -	\$ 300	\$ 200	\$ 200	#DIV/0!
Postage Services	\$ 898	\$ 609	\$ 640	\$ 700	\$ 800	\$ 160	25.0%
Office Supplies	\$ 95	\$ -	\$ 24	\$ 100	\$ 100	\$ 76	318.4%
Uniforms & Clothing	\$ 125	\$ 150	\$ 175	\$ 175	\$ 175	\$ -	0.0%
Auto Mileage	\$ 17	\$ -	\$ 50	\$ 50	\$ 50	\$ -	0.0%
Total: Expense Costs	\$ 1,200	\$ 759	\$ 889	\$ 1,475	\$ 1,475	\$ 586	65.9%
Total: Board of Appeals Costs	\$ 36,991	\$ 30,399	\$ 16,782	\$ 17,190	\$ 17,190	\$ 408	2.4%

Board of Appeals Personnel Listing						
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE + / (-)
Board of Appeals	Department Assistant	<u>1</u>	<u>1</u>	<u>0.5</u>	<u>0.5</u>	<u>0.0</u>
Total		1	1	0.5	0.5	0.0

POLICE DEPARTMENT

MISSION STATEMENT

The North Andover Police Department is committed to providing the highest level of public safety to the Town of North Andover community through the use of effective and efficient management practices while adhering to clearly defined legal and constitutional guidelines. The members of the Department are empowered to enforce the laws of the Commonwealth of Massachusetts and the By-laws of the Town of North Andover to ensure that the peace and tranquility of our neighborhoods are maintained and that crime and the fear of crime are reduced. The Department emphasizes integrity, honesty, impartiality and professionalism from our members in order to create an environment that values differences and fosters fairness and flexibility in our mission. The Police Department encourages citizen input and interaction that will assist in developing sound partnerships between the community and the police.

The North Andover Police Department responds to calls for service on a 24 hour 365 day basis. A police force of over 50 full-time employees, the North Andover Police Department is an accredited agency with the Massachusetts Police Accreditation Commission and has been for since 2010.

SIGNIFICANT CHANGES

The North Andover Police Department welcomed four new graduates of the inaugural class of the Lawrence/Methuen Police academy at Northern Essex Community College. The Department implemented the nasal naxolone (Narcan) which was utilized numerous times to revive overdose victims. The North Andover Police Department joined a national trend by training and equipping officers with Taser's. This form of less lethal force is utilized on violent and combative subjects who have intentions of harming officers and other members of the public.

PRIOR YEAR ACCOMPLISHMENTS

- Developed and maintain programs aimed at crime prevention and traffic management through the use of directed patrols, selective enforcement, and utilization of the anti-crime unit. Identified problems and problem areas of concern were targeted.
- Implemented Phase 1 of the North Andover Public Safety Fiber network. This has begun to phase out the antiquated copper-line and replace with fiber optic communication abilities for cruisers, fire apparatus, and 911 throughout town.
- Implemented NARCAN (Naxolone) into every patrol officer and supervisors duty bags.
- Worked with the newly established Merrimack Valley Police Recruit Academy, sponsored by the Massachusetts Criminal Justice Training Council, to train new officers and maintain preferred Full-Time staffing
- Increased the number of In-House certified instructors to assist with training and as an available resource to train academy recruits and veteran officers

- Held the first North Andover High School Student Police Academy where attendees were given course credit for attending the classes

FY17 GOALS

- Begin the process of updating and transferring cruiser radios to the newer digital technology through June 2017.
- Continue with Phase 2 of the Public Safety Radio Network overhaul by October 31, 2016.
- Update cruisers with new LED light bars and sirens to replace the ones that are over ten years old by March 31, 2017.
- To continue to find new and innovative ways to plan for and respond to calls for service regarding the ongoing substance abuse epidemic including the use of Narcan through June 2017.
- To implement new and innovative methods for handling residential and business complaints with the changing laws regarding marijuana and the effect it has on the quality of life especially medicinal marijuana and dispensaries by November 30, 2016.
- Increase training for patrol officers on identifying potential terror attacks and handling a critical incident involving potential terrorist activities by December 31, 2016.

Police Department Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Request	2017 ADOPTED	Dollar Change	Percent Change
Salaries, Full-Time	\$ 2,745,090	\$ 2,857,743	\$ 3,078,927	\$ 3,218,873	\$ 3,218,873	\$ 139,946	4.5%
Salaries, Dispatchers	\$ 310,429	\$ 311,659	\$ 361,518	\$ 402,626	\$ 402,626	\$ 41,108	11.4%
School Crossing Guards	\$ 37,997	\$ 37,106	\$ 37,512	\$ 38,896	\$ 38,896	\$ 1,385	3.7%
Reserve Police Officers	\$ 26,696	\$ 12,066	\$ 7,053	\$ 25,000	\$ 25,000	\$ 17,948	254.5%
Salaries, Part-Time	\$ 4,639	\$ 16,531	\$ 11,209	\$ 21,216	\$ 21,216	\$ 10,007	89.3%
K9 Care	\$ 1,616	\$ 1,636	\$ 1,020	\$ 3,035	\$ 3,035	\$ 2,015	197.6%
Overtime	\$ 74,246	\$ 86,044	\$ 92,734	\$ 161,870	\$ 161,870	\$ 69,136	74.6%
Dispatcher Overtime	\$ 43,734	\$ 46,761	\$ 60,211	\$ 50,480	\$ 50,480	\$ (9,731)	-16.2%
NEMLEC Overtime	\$ 1,655	\$ 1,339	\$ 4,688	\$ 1,450	\$ 1,450	\$ (3,238)	-69.1%
Longevity	\$ 3,200	\$ 4,825	\$ 4,000	\$ 5,225	\$ 5,225	\$ 1,225	30.6%
Holiday Pay	\$ 56,463	\$ 63,075	\$ 73,935	\$ 76,663	\$ 76,663	\$ 2,728	3.7%
Other Pay	\$ -	\$ 9,100	\$ 3,671	\$ 42,200	\$ 42,200	\$ 38,529	1049.7%
Shift Differential, Dispatchers	\$ 15,157	\$ 14,768	\$ 16,242	\$ 17,521	\$ 17,521	\$ 1,280	7.9%
Sick Time Buy Back	\$ -	\$ 7,141	\$ 11,185	\$ 1,150	\$ 1,150	\$ (10,035)	-89.7%
Vacation Time Buy Back	\$ -	\$ 1,046	\$ 1,067	\$ 4,343	\$ 4,343	\$ 3,276	307.0%
Holiday Overtime	\$ 42,835	\$ 31,193	\$ 27,272	\$ 26,500	\$ 26,500	\$ (772)	-2.8%
Personal Day Overtime	\$ 28,567	\$ 19,270	\$ 18,807	\$ 21,600	\$ 21,600	\$ 2,793	14.9%
Vacation Leave Overtime	\$ 103,312	\$ 99,490	\$ 69,423	\$ 80,200	\$ 80,200	\$ 10,777	15.5%
Sick Leave Overtime	\$ 67,171	\$ 37,618	\$ 16,949	\$ 22,550	\$ 22,550	\$ 5,601	33.0%
Injury Pay Overtime	\$ 4,942	\$ 8,836	\$ 11,065	\$ 11,600	\$ 11,600	\$ 535	4.8%
Training / Conference Overtime	\$ 46,615	\$ 80,301	\$ 116,966	\$ 61,250	\$ 61,250	\$ (55,716)	-47.6%
Court Overtime	\$ 22,120	\$ 26,190	\$ 37,144	\$ 32,750	\$ 32,750	\$ (4,394)	-11.8%
Announcement of Retirement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 3,636,485	\$ 3,773,738	\$ 4,062,597	\$ 4,326,999	\$ 4,326,999	\$ 264,402	6.5%
Electricity	\$ 55,000	\$ 60,163	\$ 60,911	\$ 56,150	\$ 56,150	\$ (4,761)	-7.8%
Heating Fuel	\$ 18,377	\$ 13,909	\$ 3,947	\$ 16,000	\$ 16,000	\$ 12,053	305.3%
Software	\$ 37,141	\$ 38,790	\$ 42,285	\$ 42,895	\$ 42,895	\$ 610	1.4%
Water	\$ 3,913	\$ 2,330	\$ 2,407	\$ 7,000	\$ 7,000	\$ 4,593	190.8%
Repairs & Maintenance	\$ 38,621	\$ 34,758	\$ 47,366	\$ 32,850	\$ 32,850	\$ (14,516)	-30.6%
Radio repair & maintenance	\$ 23,262	\$ 14,882	\$ 20,808	\$ 18,733	\$ 18,733	\$ (2,075)	-10.0%
Vehicle Maintenance	\$ 2,663	\$ 1,807	\$ 4,162	\$ 3,700	\$ 3,700	\$ (462)	-11.1%
Equipment Rental/ Lease	\$ 9,954	\$ 11,956	\$ 14,168	\$ 15,554	\$ 15,554	\$ 1,386	9.8%
Outside Professional Services	\$ 7,662	\$ 2,610	\$ 15,763	\$ 4,000	\$ 4,000	\$ (11,763)	-74.6%
Advertising	\$ 450	\$ -	\$ 1,029	\$ 695	\$ 695	\$ (334)	-32.5%
Special Assessment (NEMLEC)	\$ 4,825	\$ 4,825	\$ 4,825	\$ 4,825	\$ 4,825	\$ -	0.0%
Training & Education	\$ 26,755	\$ 31,722	\$ 24,439	\$ 41,140	\$ 41,140	\$ 16,701	68.3%
Telephone	\$ 28,527	\$ 30,682	\$ 27,236	\$ 26,525	\$ 26,525	\$ (711)	-2.6%
Postage Services	\$ 2,420	\$ 2,275	\$ 1,872	\$ 2,600	\$ 2,600	\$ 728	38.9%
K-9 Expenses	\$ 2,162	\$ 3,210	\$ 3,514	\$ 4,200	\$ 4,200	\$ 686	19.5%
Office Supplies	\$ 11,773	\$ 10,111	\$ 11,431	\$ 14,684	\$ 14,684	\$ 3,253	28.5%
Materials & Supplies	\$ 948	\$ 283	\$ 10,192	\$ 20,088	\$ 20,088	\$ 9,896	97.1%
Printing & Forms	\$ 3,223	\$ 4,028	\$ 2,270	\$ 2,237	\$ 2,237	\$ (33)	-1.5%
Vehicle Fuel	\$ 104,483	\$ 86,943	\$ 65,440	\$ 105,000	\$ 105,000	\$ 39,560	60.5%
Guns & Ammo	\$ 14,231	\$ 32,236	\$ 21,601	\$ 8,000	\$ 8,000	\$ (13,601)	-63.0%
Uniforms & Clothing	\$ 59,064	\$ 57,192	\$ 63,435	\$ 69,064	\$ 69,064	\$ 5,629	8.9%
Dues/ Memberships & Subscriptions	\$ 8,177	\$ 7,299	\$ 6,463	\$ 8,949	\$ 8,949	\$ 2,486	38.5%
Other Charges & Expenses	\$ 40,892	\$ 19,023	\$ 4,354	\$ 1,500	\$ 1,500	\$ (2,854)	-65.6%
Animal Control	\$ 2,964	\$ 1,716	\$ 3,681	\$ 5,150	\$ 5,150	\$ 1,469	39.9%
Capital Purchases >\$5,000	\$ -	\$ -	\$ 76,628	\$ 54,468	\$ 54,468	\$ (22,160)	
Vehicles	\$ 95,909	\$ 102,716	\$ 171,980	\$ 139,506	\$ 139,506	\$ (32,474)	-18.9%
Total: Expense Costs	\$ 603,398	\$ 575,465	\$ 712,206	\$ 705,513	\$ 705,513	\$ (6,693)	-0.9%
Total: Police Costs	\$ 4,239,883	\$ 4,349,203	\$ 4,774,803	\$ 5,032,512	\$ 5,032,512	\$ 257,709	5.4%

Police Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE +/-
Police	Chief of Police	1	1	1	1	0
	Lieutenant	2	2	2	2	0
	Sergeants	8	8	8	8	0
	Patrol Officers	29	29	29	29	0
	Administrative Service Director	1	1	1	1	0
	Community Service	1	1	1	1	0
	Administrative Secretary	1	1	1	1	0
	Department Assistant	1	1	1	1	0
	Lead Dispatcher	1	1	1	1	0
	Community Officers	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>0</u>
Total		53	53	53	53	0

FIRE DEPARTMENT

MISSION STATEMENT

The North Andover Fire Department is dedicated to the protection and preservation of life and property, through aggressive fire suppression, fire prevention, emergency medical services, public education, hazardous materials control and containment, the mitigation of other disasters both natural and manmade, and assisting the public in all areas.

SIGNIFICANT CHANGES

FY16 saw the hiring of three firefighters due to the retirement of two long term members and the long awaited appointment of a Deputy Chief. The crowning achievement for both the Town and the Fire Department was the opening of the new Fire Headquarters on November 12, 2015

PRIOR YEAR ACCOMPLISHMENTS

- The opening of a new Central Fire Station allows for all the membership to better serve the Townspeople of North Andover
- Purchased eight (8) new SCBA Harnesses as part of a three year plan

FY 17 GOALS

- Perform a fit test for all fire department personnel by June 30, 2017. This will be a yearly test as, through the Essex County Fire Chiefs, the Department will have access to regional equipment which will facilitate this being accomplished.
- Continuation of a protective gear replacement program with the purchase of nine (9) new sets of gear by December 31, 2016
- Purchase six (6) computer tablets to be used on all the front line apparatus and the Command vehicle by September 30, 2016.
- Continue to review the Department policies and procedures through June 2017.

Fire Department Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries, Full-Time	\$ 3,127,407	\$ 3,195,556	\$ 3,385,475	\$ 3,428,550	\$ 3,428,550	\$ 43,075	1.3%
Overtime	\$ 115,463	\$ 102,305	\$ 159,394	\$ 660,306	\$ 660,306	\$ 500,912	314.3%
Longevity	\$ 2,250	\$ 2,250	\$ 5,269	\$ 3,975	\$ 3,975	\$ (1,294)	-24.6%
Holiday Pay	\$ 250,796	\$ 258,467	\$ 187,980	\$ 292,419	\$ 292,419	\$ 104,439	55.6%
Academic Pay	\$ 39,500	\$ 55,867	\$ 58,687	\$ 60,000	\$ 60,000	\$ 1,313	2.2%
Other Pay	\$ 16,000	\$ 16,000	\$ 8,000	\$ 18,000	\$ 18,000	\$ 10,000	125.0%
Sick Time Buy Back	\$ -	\$ 7,600	\$ 27,420	\$ 2,531	\$ 2,531	\$ (24,889)	-90.8%
Personal Day Overtime	\$ 77,651	\$ 73,454	\$ 84,618	\$ -	\$ -	\$ (84,618)	-100.0%
Vacation Leave Overtime	\$ 279,042	\$ 303,622	\$ 318,268	\$ -	\$ -	\$ (318,268)	-100.0%
Sick Leave Overtime	\$ 144,983	\$ 104,740	\$ 112,150	\$ -	\$ -	\$ (112,150)	-100.0%
Injury Leave Overtime	\$ 30,546	\$ 65,926	\$ 9,190	\$ -	\$ -	\$ (9,190)	-100.0%
Announcement of Retirement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
EMT Pay	\$ 146,849	\$ 165,660	\$ 184,359	\$ 195,858	\$ 195,858	\$ 11,499	6.2%
Total: Personnel Costs	\$ 4,230,488	\$ 4,351,446	\$ 4,540,809	\$ 4,661,639	\$ 4,661,639	\$ 120,830	2.7%
Expenses							
Electricity	\$ 13,356	\$ 14,923	\$ 22,129	\$ 23,250	\$ 23,250	\$ 1,121	5.1%
Heating Fuel	\$ 9,637	\$ 8,544	\$ 10,092	\$ 18,000	\$ 18,000	\$ 7,908	78.4%
Water	\$ 3,295	\$ 2,809	\$ 3,244	\$ 3,400	\$ 3,400	\$ 156	4.8%
Repairs & Maintenance	\$ 25,488	\$ 22,578	\$ 32,056	\$ 37,000	\$ 37,000	\$ 4,944	15.4%
Radio & Transmitter	\$ 465	\$ 897	\$ 2,685	\$ 5,000	\$ 5,000	\$ 2,315	86.2%
Vehicle Maintenance	\$ 40,535	\$ 54,115	\$ 57,625	\$ 52,000	\$ 52,000	\$ (5,625)	-9.8%
Equipment Rental/ Leases	\$ 2,376	\$ 2,473	\$ 2,501	\$ 2,500	\$ 2,500	\$ (1)	0.0%
Data Processing	\$ 5,495	\$ 5,650	\$ 8,233	\$ 6,500	\$ 6,500	\$ (1,733)	-21.0%
Medical/ Physical Services	\$ 4,707	\$ 935	\$ 350	\$ -	\$ -	\$ (350)	-100.0%
Contract Services	\$ 91,381	\$ 97,621	\$ 84,840	\$ 92,000	\$ 92,000	\$ 7,160	8.4%
Training & Education	\$ 10,642	\$ 1,553	\$ 18,388	\$ 15,000	\$ 15,000	\$ (3,388)	-18.4%
Ambulance Training/ Education	\$ 8,303	\$ 14,483	\$ 18,530	\$ 18,142	\$ 18,142	\$ (388)	-2.1%
Telephone	\$ 11,372	\$ 12,014	\$ 11,002	\$ 6,000	\$ 6,000	\$ (5,002)	-45.5%
Postage	\$ 482	\$ 373	\$ 324	\$ 600	\$ 600	\$ 276	85.1%
Office Supplies	\$ 2,884	\$ 3,247	\$ 4,065	\$ 3,100	\$ 3,100	\$ (965)	-23.7%
Printing & Forms	\$ 947	\$ 1,117	\$ 822	\$ 1,050	\$ 1,050	\$ 228	27.7%
Vehicle Supplies	\$ 0	\$ 3,332	\$ -	\$ 1,500	\$ 1,500	\$ 1,500	-
Ambulance	\$ 23,376	\$ 36,431	\$ 33,448	\$ 38,000	\$ 38,000	\$ 4,552	13.6%
Vehicle Fuel	\$ 41,621	\$ 38,397	\$ 23,045	\$ 30,000	\$ 30,000	\$ 6,955	30.2%
Protective Equipment	\$ 39,424	\$ 30,381	\$ 65,705	\$ 35,000	\$ 35,000	\$ (30,705)	-46.7%
Uniforms & Clothing	\$ 47,601	\$ 47,912	\$ 51,496	\$ 46,400	\$ 46,400	\$ (5,096)	-9.9%
Auto Mileage	\$ 2,149	\$ -	\$ 225	\$ -	\$ -	\$ (225)	-
Dues/ Memberships & Subscription	\$ 479	\$ 2,239	\$ 2,368	\$ 4,000	\$ 4,000	\$ 1,632	68.9%
Other Charges & Services	\$ 4,969	\$ 2,561	\$ 6,617	\$ 2,000	\$ 2,000	\$ (4,617)	-
Fire Alarm	\$ 10,036	\$ 18,778	\$ 13,466	\$ 8,000	\$ 8,000	\$ (5,466)	-40.6%
Capital Outlay	\$ 9,180	\$ 88,704	\$ 48,860	\$ 44,342	\$ 44,342	\$ (4,518)	-9.2%
Total: Expense Costs	\$ 410,200	\$ 512,068	\$ 522,116	\$ 492,784	\$ 492,784	\$ (29,332)	-5.6%
Total: Fire Department Costs	\$ 4,640,688	\$ 4,863,514	\$ 5,062,925	\$ 5,154,423	\$ 5,154,423	\$ 91,498	1.8%

Fire Department Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE +/-
Fire	Fire Chief	1	1	1	1	0
	Fire Deputy Chief	0	1	1	1	0
	Firefighters	44	44	44	44	0
	Lieutenant	9	9	9	9	0
	Administrative Secretary	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		55	56	56	56	0

PUBLIC SAFETY SALARY RESERVE

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salary Reserve	\$208,714	\$27,048	\$49,589	\$17,627	\$17,627	\$ (31,962)	
Announcement of Retirement	\$0	\$0	\$0	\$0	\$0	\$ -	
Total: Personnel Costs	\$208,714	\$27,048	\$49,589	\$17,627	\$17,627	-\$31,962	-64.5%
Expenses							
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Expense Costs	\$0	\$0	\$0	\$0	\$0	\$0	
Total: Public Safety Salary Reserve	\$208,714	\$27,048	\$49,589	\$17,627	\$17,627	-\$31,962	-64.5%

BUILDING

MISSION STATEMENT

The Building Department is dedicated to exceptional customer service by assisting contractors and residents involved in a construction process to protect their health, safety, and welfare by reducing potential hazards of unsafe construction. The office provides the means to review, approve, and inspect construction to ensure that CMR state building code standards for materials and methods are used.

SIGNIFICANT CHANGES

Allan Paduchowski replaced Peter Murphy as the Town Electrical Inspector.

PRIOR YEAR ACCOMPLISHMENTS

- Conducted inspections of previously uninspected and new facilities to ensure safety and increase building permit awareness.
- Educated and enforced the guidelines as stated in the 2015 International Energy Conservation Code.
- Continued education, as required, of contractors by ensuring contractors are aware of changes in International Building Codes, as stated in the 2015 IRC and 2015 IBC codes.
- Continued to enforce the Town of North Andover zoning bylaw.
- Continued enforcement of 521 CMR, Architectural Access Code, to satisfy handicap accessibility.
- Initiated electronic data storage of new building permits for better public access.

FY17 GOALS

- Restructure department resources to align Plumbing/Gas Inspector position to better meet increased work load by July 2016.
- Continue to identify abandoned buildings and work with the Attorney General's Office – Abandoned Property Initiative, Health, Police and Fire Departments as needed for property resolution through June 2017.

- Facilitate the transition to View Point on-line permitting to expedite permit awards, provide more transparency to the permitting process, and improve customer access to previously awarded permits through to December 2016.
- Continue to add all new permits to electronic data storage and complete record retention and file purging in compliance with MA Record Retention policies by October 2016.
- Address the growing demands regarding the zoning bylaw inquiries by reviewing zoning issues that regularly appear and recommend changes to the Zoning Bylaw, if necessary, by February 2017.

Building Inspection Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries, Full-Time	\$ 169,934	\$ 171,308	\$ 226,175	\$ 260,041	\$ 260,041	\$ 33,866	15.0%
Wages, Part-Time	\$ 68,579	\$ 85,839	\$ 45,002	\$ 14,772	\$ 14,772	\$ (30,230)	-67.2%
Longevity	\$ 2,295	\$ 2,535	\$ 2,475	\$ 2,925	\$ 2,925	\$ 450	18.2%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total: Personnel Costs	\$ 240,808	\$ 259,682	\$ 273,652	\$ 277,738	\$ 277,738	\$ 4,086	1.5%
Expenses							
Outside Professional Services	\$ 2,000	\$ -	\$ 194	\$ 1,000	\$ 1,000	\$ 806	415.8%
Advertising	\$ -	\$ -	\$ 1,111	\$ -	\$ -	\$ (1,111)	-100.0%
Conferences In State	\$ 1,036	\$ 840	\$ 1,465	\$ 1,500	\$ 1,500	\$ 35	2.4%
Training & Education	\$ 981	\$ 876	\$ 1,324	\$ 1,000	\$ 1,000	\$ (324)	-24.4%
Telephone	\$ 2,693	\$ 2,483	\$ 1,934	\$ 2,320	\$ 2,320	\$ 386	20.0%
Postage Services	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ -	0.0%
Printing & Forms	\$ 1,463	\$ 1,745	\$ 1,185	\$ 2,000	\$ 2,000	\$ 815	68.8%
Vehicle Fuel	\$ 1,643	\$ 1,340	\$ 1,107	\$ 2,750	\$ 2,750	\$ 1,643	148.5%
Uniforms & Clothing	\$ 375	\$ 150	\$ 350	\$ 250	\$ 250	\$ (100)	-28.6%
Auto Mileage	\$ 5,328	\$ 5,045	\$ 5,770	\$ 5,000	\$ 5,000	\$ (770)	-13.3%
Dues/ Memberships & Subscriptions	\$ 385	\$ 500	\$ 545	\$ 800	\$ 800	\$ 255	46.8%
Other Charges & Expenses	\$ -	\$ 636	\$ 691	\$ 500	\$ 500	\$ (191)	-
Vehicle	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total: Expense Costs	\$ 16,104	\$ 13,816	\$ 15,875	\$ 17,320	\$ 17,320	\$ 1,445	9.1%
Total: Building Code Costs	\$ 256,912	\$ 273,498	\$ 289,526	\$ 295,058	\$ 295,058	\$ 5,532	1.9%

Inspectional Services Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE + / (-)
Inspectional Services	Inspector of Building	1	1	1	1	0
	Building Inspector	1	1	1	1	0
	Electrical Insepector	0.8	0.8	0.8	0.8	0
	Plumbing/Gas Inspector	0.5	0.5	0.5	0.8	0
	Department Assistant	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		4.3	4.3	4.3	4.6	0

EMERGENCY MANAGEMENT

MISSION STATEMENT

North Andover Emergency Management Agency's primary responsibility is to ensure the town's resilience to disasters. Our volunteer staffs of operations officers and communications officers are committed to an all hazards approach to emergency management. We are partnered with federal, state and local government agencies. We aid and guide our community to rapidly recover from large and small disasters by responding to, assessing and mitigating hazards, enhancing preparedness, ensuring effective response, and building the capacity to recover.

SIGNIFICANT CHANGES

There have been no significant changes in the Emergency Management Department for the past year.

PRIOR YEAR ACCOMPLISHMENTS

- Continued the multi-year build out of the public safety communications network.
- Continued outfitting Emergency Management officers with uniforms and field functional equipment.
- Received regional equipment grant through NERAC to support all North Andover public safety agencies.
- Expanded resource support of the Police and Fire departments.

FY17 GOALS

- To replace RACES communication infrastructure April 1, 2017.
- To purchase (3) public safety tri-band portable radios by October 31, 2016.
- To address issues with Emergency Management's garage and adjacent room at the Steven's Estate through June 30, 2017.

Purchase exterior video monitoring system for Car 20.

Emergency Management Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Wages Part-Time Director	\$ 5,331	\$ 5,424	\$ 5,506	\$ 5,560	\$ 5,560	\$ 54	1.0%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 5,331	\$ 5,424	\$ 5,506	\$ 5,560	\$ 5,560	\$ 54	1.0%
Expenses							
Radio & Transmitter	\$ 620	\$ 1,868	\$ 16,858	\$ 6,000	\$ 6,000	\$ (10,858)	-64.4%
Vehicle Maintenance	\$ 500	\$ 2,575	\$ 5,879	\$ 4,000	\$ 4,000	\$ (1,879)	-32.0%
Training & Education	\$ -	\$ -	\$ -	\$ 61	\$ 61	\$ 61	
Telephone	\$ 4,512	\$ 4,664	\$ 5,156	\$ 6,500	\$ 6,500	\$ 1,344	26.1%
Postage Services	\$ 147	\$ 147	\$ 147	\$ 150	\$ 150	\$ 3	2.4%
Office Supplies	\$ 246	\$ 186	\$ 248	\$ 250	\$ 250	\$ 2	0.9%
Uniforms & Clothing	\$ 13,599	\$ 5,546	\$ 1,552	\$ 8,550	\$ 8,550	\$ 6,998	450.9%
Other Charges & Expenses	\$ 5,445	\$ 2,311	\$ 3,304	\$ 3,000	\$ 3,000	\$ (304)	-9.2%
Capital Outlay	\$ -	\$ 9,600	\$ -	\$ 7,500	\$ 7,500	\$ 7,500	
Total: Expense Costs	\$ 25,069	\$ 26,897	\$ 33,144	\$ 36,011	\$ 36,011	\$ 2,867	8.7%
Total: Emergency Management	\$ 30,400	\$ 32,321	\$ 38,649	\$ 41,571	\$ 41,571	\$ 2,922	7.6%

DIVISION OF PUBLIC WORKS – PUBLIC WORKS DEPT

MISSION STATEMENT

The Department of Public Works (DPW) mission is to provide professional quality maintenance, repair, construction services, and capital improvements while operating the following infrastructure: one hundred and fifty (150) miles of streets; approximately one hundred and seventy five (175) acres of parks, playgrounds, school grounds; the Town beach; the Town Common; all public shade trees; one hundred and fifty (150) miles of water mains; ninety (90) miles of sewer mains; twenty two (22) sewer lift stations; five (5) high lift water booster stations; and, maintain and fuel a fleet of over one hundred (100) vehicles. Further, the Department's mission is also to provide the highest quality drinking water by maintaining the Town's water supply, Lake Cochichewick, and by optimally operating the drinking water treatment plant, which delivers an average daily consumption of 3.2 million gallons and a yearly total of over a billion gallons. Providing uninterrupted solid waste and recycling removal is also a mission of the Department through a private hauler. Additionally, the DPW provides rapid response to all snow, ice and other inclement weather emergencies, as well as water and sewer breaks. The DPW enforces water, sewer and drainage by-laws, grants petitions of location for utilities, and maintains engineering records and GIS data. The Department's budget is divided between the General Fund and an Enterprise Fund, funded through sewer and water rates.

SIGNIFICANT CHANGES

Curtis Johnson joined the staff as the Department's Staff Engineer.

PRIOR YEAR ACCOMPLISHMENTS

- Completed over \$1M of roadway improvements on ten (10) different roadways. This included the work at the Johnson, Mill, and Farnum Street intersection to improve safety through the intersection.
- Funds were made available through a winter recovery program that the state funded for local repair of road damage from the past severe winters. The Department used the \$123,000 made available to repair roadway structures, curbing, line striping and short sections of pavement throughout Town.
- Approximately 250 roadway structures (manholes and catch basins) that were causing hazards to motorists were repaired using the winter recovery money as well as budgeted funds.
- Approximately \$60K of sidewalk improvements to existing sidewalks were completed.
- Steven's Beach was open all summer without any closures. The extensive work done on aggressive public education program, clean up along the perimeter path, added barrels for disposal of animal waste, enforcement, and extensive monitoring have impacted the closures due to contamination from animal waste. This was a coordinated effort by Conservation, Youth & Recreation Services, Public Works, Health, Police, and the Trustees of the Reservation.

- At the 2015 Annual Town Meeting voters approved replacement of two medium size dump trucks that provides versatility within our fleet. These were delivered in late fall. The need for this type of equipment came from input of DPW staff that operate and maintain this equipment. Their input was sought and used to prepare requests for bid, to evaluate bids, and to make final decision on purchase.
- The street light improvements on High and Water Streets were installed this past summer. The project has enhanced the Mill and Machine Shop Village area, as well as, improved safety in the area.
- The Department is working with the Harbor Master, Conservation Department, and Planning Department as a Lake Study Group to improve the shore along the Lake to assure continued high water quality in the Town's water supply. This involves, trash and litter clean up along the shore, removal of derelict docks abandoned in the Lake, organizing/improving the boat storage around the Lake so that the storage of boats does not impact vegetation and cause erosion of the Lake shore. The initiative includes an annual Lake Clean-up Day, which was held on November 7th this year, and review of Lake Use Regulations.
- The Department worked with the IT Department to bring on new technologies to improve efficiency. A new tool called People Forms/People GIS was acquired that allows for better coordination and tracking of work and initiatives. This technology is the basis for the Repot It which was made available to residents to report service requests. Also, the Department has acquired a program through Verizon Wireless called Field Force Manager. This program will distribute GPS tracking devices in all vehicle used by snow plow contractors. Department personnel will be able to determine where resources are deployed and be more efficient in fighting snow storms. It will also streamline the billing system.
- The Engineering Department is involved in major endeavors, along with the day-to-day requests for information from town boards, businesses, developers, and residents. The Department provided reviews, comments, and engineering input on various projects before the Planning Board, Board of Appeals, and Conservation Commission. In addition Engineering staff were instrumental in the following projects:
 - ✓ The major renovation of McEvoy Field that included 3 softball fields, restrooms, walking path, off street parking and landscaping was open for youth soccer and girls softball use.
 - ✓ Engineering continues to work with Mass DOT and neighborhood residents on a grant for Safe Routes to Schools for construction of: sidewalks on Greene St., Parker St. and school property, crosswalks, the realignment of the Greene Street intersection with Mass Avenue, pavement rehabilitation and the addition of green spaces at the intersections. The project was publically bid and construction is expected to begin in 2016 and be completed by early 2017.

FY 17 GOALS

- Pave an additional ten (10) roads of paving by June, 2017.
- In FY 2017 the department will improve drainage structures in roads and improve culvert

crossing where damage has occurred due to beaver activity or age of infrastructure. It is estimated that two or possibly three culverts will be improved. The major focus will be the correction to the culvert under Sutton Street that crosses under the railroad near the egress to Route 495. The work will be completed by spring of 2017.

- Based on input from operators and mechanics, the Department will evaluate the purchase of vehicles and equipment that will be more versatile. The major need in the next year is to replace two of the commercial tractors mowers used by the Parks Department, a new street sweeper to replace the existing 20 year old equipment, a replacement for one of the plow dump trucks with spreader, replacement of the street foreman's utility truck, and the engineering's support vehicle. The equipment will be in service in late fall 2016 or early spring 2017 depending on manufacture availability.
- The Town Engineer will continue to work with the Director to organize the department in terms of unifying databases, files, identification of project responsibilities, staffing, and budgets. With recent additions to staff, the Engineering Department is working toward adding more capabilities for project design. It is anticipated that this additional capacity will result in more in house design and construction reducing the need and associated cost for outside consultants and contractors.
- ✓ The Safe Routes to School Project on Greene and Parker Streets will be completed by June 30, 2017 (dependent on Mass DOT schedules and funding).
- ✓ Due to increased traffic demands, preliminary improvement design will be done on the Great Pond Road, Bradford Street and Pond Street intersection, and the Sutton Street and High Street intersection by the December 31, 2016.

Public Works - Administration Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries, Full-Time	365,027	401,177	409,601	418,715	418,715	\$ 9,114	2.2%
Wages, Part-Time	-	-	-	-	-	\$ -	
Longevity	3,175	3,275	3,575	4,113	4,113	\$ 538	15.0%
Salary Reserve	-	-	-	-	13,694	\$ 13,694	
Total: Personnel Costs	\$368,202	\$404,452	\$413,176	\$422,827	\$436,521	\$23,345	5.7%
Expenses							
Equipment Rental/Lease	6,807	6,583	4,690	7,250	7,250	\$ 2,560	54.6%
Contracted Services	947	1,465	2,658	2,600	2,600	\$ (58)	-2.2%
Training & Education	2,574	4,297	1,949	4,100	4,100	\$ 2,151	110.4%
Telephone	5,465	5,655	6,044	6,100	6,100	\$ 56	0.9%
Postage	183	351	333	350	350	\$ 17	5.2%
Office Supplies	1,793	2,694	5,936	2,200	2,200	\$ (3,736)	-62.9%
Printing & Forms	1,284	275	1,841	550	550	\$ (1,291)	-70.1%
Uniforms & Clothing	1,113	300	686	800	800	\$ 114	16.6%
Auto Mileage	350	331	466	450	450	\$ (16)	-3.4%
Dues and Subscriptions	-	218	224	350	350	\$ 126	56.4%
Other Charges & Expense	533	213	211	250	250	\$ 39	18.6%
Total: Expense Costs	\$21,048	\$22,382	\$25,036	\$25,000	\$25,000	-\$36	-0.1%
Total: Admn & Engineering Costs	\$389,250	\$426,834	\$438,212	\$447,827	\$461,521	\$23,310	5.3%

Public Works Administration Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE + / (-)
Administration	Director	1.0	1.0	1.0	1.0	0
	Administration Secretary	1.0	1.0	1.0	1.0	0
	Assistant Operations Manager	0.5	0.5	0.5	0.5	0
	Department Assistant	1.0	1.0	1.0	1.0	0
	Operations Manager	0.5	0.5	0.50	0.50	0
	Staff Engineer	1.0	1.0	0.75	0.75	0
	Town Engineer	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>0</u>
Total		6.00	6.00	5.75	5.75	0.00

Public Works - Streets & Sidewalks Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries, Full-Time	376,929	370,695	357,394	443,403	443,403	86,009	24.1%
Overtime	27,194	45,039	25,697	23,500	23,500	(2,197)	-8.5%
Summer Help Salaries	-	-	-	-	-	-	-
Salary Reserve	-	-	-	-	7,684	7,684	-
Total: Personnel Costs	\$404,122	\$415,735	\$383,091	\$466,903	\$474,587	91,496	23.9%
Expenses							
Street Lighting	223,748	119,695	135,267	144,550	144,550	9,283	6.9%
Engineering Services	1,000	1,549	1,435	30,000	30,000	28,565	1990.6%
Repairs & Maintenance	71,843	27,861	41,538	35,000	35,000	(6,538)	-15.7%
Equipment Rental/ Lease	-	3,200	-	1,035	1,035	1,035	-
Advertising	2,222	2,219	2,224	1,550	1,550	(674)	-30.3%
Contracted Services	43,322	52,638	68,435	60,000	60,000	(8,435)	-12.3%
Training & Education	1,200	1,341	1,291	1,035	1,035	(256)	-19.8%
Storm Water Permitting Mandate	24,940	25,023	32,865	36,000	36,000	3,135	9.5%
Outside Detail	18,460	10,480	13,674	16,000	16,000	2,327	17.0%
Materials & Supplies	23,209	26,841	23,859	20,000	20,000	(3,859)	-16.2%
Regulatory Street Signs	5,600	5,426	6,356	5,000	5,000	(1,356)	-21.3%
Road Oil & Bituminous	16,280	9,327	17,613	20,000	20,000	2,387	13.6%
Uniforms & Clothing	5,400	6,350	6,125	6,250	6,250	125	2.0%
Dues/ Memberships & Subscriptions	1,096	890	925	750	750	(175)	-18.9%
Other Charges & Expenses	170	23,479	35,408	40,000	32,316	(3,092)	-8.7%
Capital Outlay	28,620	39,761	59,642	60,000	60,000	358	0.6%
Total: Expense Costs	467,110	356,082	446,656	477,170	469,486	22,830	5.1%
Total: Street Maintenance Costs	\$871,232	\$771,817	\$829,747	\$944,073	\$944,073	\$114,326	13.8%

Public Works Streets & Sidewalks Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE + / (-)
Streets and Sidewalks	SMEO	3.75	3.75	3.75	3.75	0
	HMEO	4	4	4	4	0
	Laborer/MEO	0.25	0.25	0.25	0.25	0
	Senior Work Foreman	0.75	0.75	0.75	0.75	0
	Senior Foreman	0.25	0.25	0.25	0.25	0
	Tree Surgeon	0	0	0	1	1
Total		9	9	9	10	1
no new postions added corrected for previous year error Tree Surgeon was a vacant postions						

Public Works - Refuse & Recycling Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 actual	2017 Dept Requested	2017 adopted	Dollar Change	Percent Change
Personnel							
Salaries, Full-Time	65,319	52,868	68,690	25,823	25,823	(42,867)	-62.4%
Overtime	4,770	8,407	11,204	6,000	6,000	(5,204)	-46.4%
Longevity	-	-	-	-	-	-	-
Total: Personnel Costs	\$70,088	\$61,275	\$79,894	\$31,823	\$31,823	(\$48,070)	-60.2%
Expenses							
Advertising	-	-	-	13,660	13,660	13,660	-
Contracted Services	554,867	634,086	681,052	680,000	695,066	14,014	2.1%
Hazardous Waste Day	9,331	9,398	9,150	12,450	12,450	3,300	36.1%
Materials & Supplies	138	-	61	550	550	489	807.9%
Dumping Fees	503,774	472,958	529,601	575,000	575,000	45,399	8.6%
Uniforms & Clothing	900	975	1,050	1,950	1,950	900	85.7%
Total: Expense Costs	\$1,069,008	\$1,117,417	\$1,220,914	\$1,283,610	\$1,298,676	\$77,762	6.4%
Total: Refuse Collection Costs	\$1,139,097	\$1,178,692	\$1,300,808	\$1,315,433	\$1,330,499	\$29,692	2.3%

Public Works Refuse & Recycling Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE + / (-)
Refuse and Recycling	Sr Work Foreman	0.25	0.25	0.25	0.25	0
	Senior Foreman	0	0	0	0	0
	SMEO	0.25	0.25	0.25	0.25	0
	HMEO	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		1.5	1.5	1.5	1.5	0

Public Works Vehicle Maintenance Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries, Full-Time	89,877	90,274	94,756	94,578	94,578	(178)	-0.2%
Overtime	2,859	4,424	4,039	500	500	(3,539)	-87.6%
Longevity	-	-	-	-	-	-	
Total: Personnel Costs	\$92,736	\$94,698	\$98,795	\$95,078	\$95,078	(3,718)	-3.8%
Expenses							
Vehicle Maintenance	88,840	83,734	87,044	97,500	97,500	10,456	12.0%
Advertising	127	-	-	-	-	-	
Contracted Services	6,179	7,604	6,283	500	500	(5,783)	-92.0%
Vehicle Supplies	61,612	52,583	53,687	52,500	52,500	(1,187)	-2.2%
Vehicle Fuel	20,958	726	23,430	45,000	45,000	21,570	92.1%
Uniforms & Clothing	1,200	1,300	1,400	1,400	1,400	-	0.0%
Dues/ Memberships & Subscriptions	50	-	-	500	500	500	
Vehicle	82,386	105,763	115,899	113,000	113,000	(2,899)	-2.5%
Total: Expense Costs	\$261,353	\$251,710	\$287,743	\$310,400	\$310,400	22,657	7.9%
Total: Fleet Maint. Costs	\$354,089	\$346,407	\$386,538	\$405,478	\$405,478	\$18,940	4.9%

Public Works Vehicle Maintenance Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE + / (-)
Vehicle Maintenance	Working Foreman	1	1	1	1	0
	Mechanic	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		2	2	2	2	0

Public Works Structures & Grounds Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries, Full-Time	186,965	196,215	199,841	207,070	207,070	7,229	3.6%
Overtime	8,454	16,632	11,990	11,500	11,500	(490)	-4.1%
Summer Help Salaries	26,938	6,500	5,600	10,000	10,000	4,400	78.6%
Longevity	525	525	525	550	550	25	4.8%
Total: Personnel Costs	\$222,882	\$219,872	\$217,956	\$229,120	\$229,120	\$11,164	5.1%
Electricity	86,893	88,341	80,205	99,000	99,000	18,795	23.4%
Heating Fuel	56,295	52,572	43,131	66,250	66,250	23,119	53.6%
Water/ Sewerage	6,950	5,871	7,000	8,000	8,000	1,000	14.3%
Repairs & Maintenance	12,402	19,588	38,141	36,750	36,750	(1,391)	-3.6%
Outside Professional Services	102,321	68,466	67,836	67,250	67,250	(586)	-0.9%
Advertising	155	-	-	-	-	-	-
Contract Services	-	50,571	77,639	46,250	46,250	(31,389)	-40.4%
Telephone	928	928	928	1,100	1,100	172	18.5%
Materials & Supplies	21,511	20,139	18,644	20,700	20,700	2,056	11.0%
Building Repairs & Maintenance	9,967	10,361	14,963	10,000	10,000	(4,963)	-33.2%
Uniforms & Clothing	2,625	2,363	2,525	3,500	3,500	975	38.6%
Capital Outlay	-	-	-	-	-	-	-
Total: Expense Costs	\$300,048	\$319,200	\$351,012	\$358,800	\$358,800	\$7,788	2.2%
Total: Structures & Grounds. Costs	\$522,930	\$539,072	\$568,968	\$587,920	\$587,920	\$18,952	3.3%

Public Works Structures & Grounds Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE + / (-)
Structures & Grounds	Custodian	1	1	1	1	0
	HMEO	1.5	1.5	1.5	1.5	0
	SMEO	0.75	0.75	0.75	0.75	0
	Laborer/MEO	0.25	0.25	0.25	0.25	0
	Senior Foreman	0.25	0.25	0.25	0.25	0
	Working Foreman	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		4.75	4.75	4.75	4.75	0

Public Works - Snow and Ice Removal

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Overtime	161,810	222,949	89,283	95,000	95,000	5,717	6.4%
Total: Personnel Costs	\$161,810	\$222,949	\$89,283	\$95,000	\$95,000	\$5,717	6.4%
Expenses							
Repaires & Maintenance	26,140	69,425	83,109	45,000	45,000	(38,109)	-45.9%
Equipment Rental/ Lease	718,552	1,179,348	245,176	475,000	475,000	229,824	93.7%
Telephone	-	-	47,791	15,550	15,500	(32,291)	0.0%
Vehicle Fuel	75,615	69,053	32,089	70,000	70,000	37,911	118.1%
Gravel & Sand	21,667	27,698	11,050	15,000	15,000	3,950	35.8%
Salt	319,216	370,715	262,107	167,000	167,000	(95,107)	-36.3%
Other Charges & Expenses	9,871	7,421	6,754	8,000	8,000	1,246	18.5%
Capital Purchases	-	-	82,850	-	-	-	-
Total: Expense Costs	\$1,171,061	\$1,723,660	\$770,926	\$795,550	\$795,500	\$107,424	3.2%
Total: Snow Removal Costs	\$1,332,871	\$1,946,609	\$860,209	\$890,550	\$890,500	\$113,141	3.5%

HEALTH DEPARTMENT

MISSION STATEMENT

The mission of the Health Department is to protect and promote the health, environment and wellbeing of the Town of North Andover residents and visitors.

SIGNIFICANT CHANGES

The Health Director's job description was updated and includes the function of leading the Town's efforts in fighting against addiction among its population.

The Town is bringing departments, citizens and resources together to create an opioid addiction task force as part of the Town's response to MA DPH and the Governor declaring heroin and opioid addiction a public health issue, as well as the Governor's "Stop the Stigma" campaign.

PRIOR YEAR ACCOMPLISHMENTS

- Actively aggressive in the paper reduction initiative to be ready for the fall 2016 move to town hall. Determined department needs for new staff location layout and location of paper documents needed for active and passive access due to location of file system on lower level. Identified requirements for handling, scanning and or disposing of incoming documents and began implementation. Successful in utilizing senior aids in process to assist staff. Annual filing of record retention forms will assist in continuing the project into FY17.
- Continued the conversation with the Board of Health and the North Andover community in regards to the Heroine and Opioid epidemic in FY16. Department staff oversaw a Merrimack College intern whose primary project was to gather data, design displays and identify sources to promote the project. The MA Department of Health has determined the heroine and opioid epidemic as a public health issue. Board of Health member volunteered and placed on task force. All health staff is dedicated to the issue as needed by the task force.
- Improved the permitting process for food establishments. The Board of Health approved the recommendation by the Director, and the administrative staff has implemented and is actively renewing food establishment permits and related permits. The change to February 28th expiration has been met with support by the business community.
- RFID Trash Truck monitoring pilot project completed; future goals will be set.

- Worked with the Attorney General's office to reduce the number of abandoned houses within the community if legally possible. Identified properties, conducted inspections, filed proper paperwork, attended hearings etc. Projects are ongoing in this area.

FY17 GOALS

- Develop and host a regional symposium on addiction issues in partnership with surrounding communities as part of the Town's continued efforts to be part of the fight against addiction by October 31, 2016.
- Prepare for and facilitate the transition to on-line licensing software by December 31, 2016.
- Identify local BOH regulations for needed revision and/or possible removal and present to the BOH for review and approval by March 31, 2017.
- Trash truck monitoring program pilot implementation was restarted January 2016. Anticipate approval of full project implementation in by August 31, 2016. Verification will continue through FY17 and changes implemented.
- Identify and implement Lyme disease education plan by June 30, 2017.
- Review all revolving funds and develop long term plans to utilize funds for expanding public health services in the community by December 31, 2016.

Health Department Budget							
Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries, Full-Time	\$ 182,566	\$ 186,944	\$ 194,640	\$ 210,567	\$ 210,567	\$ 15,927	8.2%
Wages, Part-Time	\$ 11,411	\$ 10,793	\$ 11,250	\$ 8,055	\$ 8,055	\$ (3,195)	-28.4%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Longevity	\$ 1,985	\$ 2,184	\$ 2,225	\$ 1,910	\$ 1,910	\$ (315)	-14.2%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Total: Personnel Costs	\$ 195,962	\$ 199,920	\$ 208,115	\$ 220,532	\$ 220,532	\$ 12,417	6.0%
Expenses							
Outside Professional Services	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ -	0.0%
Advertising	\$ -	\$ -	\$ 822	\$ -	\$ -	\$ -	-100.0%
Contracted Services	\$ -	\$ -	\$ 35	\$ 280	\$ 280	\$ 245	700.0%
Training & Education	\$ 300	\$ 226	\$ 495	\$ 500	\$ 500	\$ 5	1.0%
Telephone	\$ -	\$ 93	\$ -	\$ 720	\$ 720	\$ 720	
Postage Services	\$ 436	\$ 200	\$ 400	\$ 400	\$ 400	\$ -	0.0%
Office Supplies	\$ 312	\$ 130	\$ 284	\$ 300	\$ 300	\$ 16	5.5%
Printing & Forms	\$ 418	\$ 355	\$ 150	\$ 400	\$ 400	\$ 251	167.6%
Vehicle Fuel	\$ 392	\$ 345	\$ 298	\$ 400	\$ 400	\$ 102	34.2%
Uniforms & Clothing	\$ 125	\$ 150	\$ 175	\$ 175	\$ 175	\$ -	0.0%
Auto Mileage	\$ 400	\$ 510	\$ 413	\$ 500	\$ 500	\$ 87	21.1%
Total: Expense Costs	\$ 5,983	\$ 5,609	\$ 6,672	\$ 7,275	\$ 7,275	\$ 1,425	9.0%
Total: Public Health Costs	\$ 201,945	\$ 205,529	\$ 214,787	\$ 227,807	\$ 227,807	\$ 13,842	6.1%

Health Department Personnel Listing						
De partment	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE +/(-)
<u>General Fund</u>						
Health	Director	1	1	1	1	0
	Health Inspector	0.8	0.8	0.8	0.8	0
	Public Health Nurse	0.8	0.8	0.8	0.8	0
	Department Assiatant	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		3.6	3.6	3.6	3.6	0
<u>Revolving Fund</u>						
Health	Health Inspector	<u>0.2</u>	<u>0.2</u>	<u>0.2</u>	<u>0.2</u>	<u>0</u>
Total		0.2	0.2	0.2	0.2	0

ELDER SERVICES

MISSION STATEMENT

Elder Service creates an atmosphere that acknowledges the value of human life, affirms the dignity and self-worth of the older adult in the community and maintains an atmosphere of respect, trust and support.

SIGNIFICANT CHANGES

Massachusetts received an increase in Formula Grant funding of \$1 per older adult, bringing the total to \$9 per older adult and increasing the total grant to Elder Services to \$48,018.

PRIOR YEAR ACCOMPLISHMENTS

- Established the 1st annual Giving Trees drive! One hundred gift bags were distributed to home bound seniors. Each bag contained a Market Basket or CVS gift card along with various items of personal needs such as cards, postage stamps, flash lights etc.
- During January, over 100 babies in Puerto Plata, DR hospital received gift bags prepared by North Andover seniors and distributed by a missionary contact.
- Established a project for the knitting group, Hats for Vets and Hats for Kids. Distributed approximately 100 hat and scarf sets to North Andover schools and the Vets Outreach Center in Haverhill.
- Through collaboration with Greater Lynn Senior Services, established a support group for women age 50+ who are being abused by an intimate partner or other person in their life.
- Established a “Women’s Forum” with 25 female seniors in attendance each month.
- Increased the Foot Care Nurse services by adding an additional day each month. The service has increased from 12 seniors to 22 seniors a month.
- Early Stage Alzheimer’s support groups continue to grow as awareness and demand for counseling increases.
- Established a Sunday afternoon Theater group.
- Day trips increased from 4 to 12 during the summer season.
- Through collaboration with TRIAD and North Andover Housing Authority, initiated and scheduled (4) cookouts for the residents of housing in an attempt to create a better sense of community.
- Collaboration with UMass Lowell LIRA program, additional day trips have been added.

- Increased Intergenerational programs with participation from North Andover Youth & Recreation Services, Thomson School, Brooks School, the High School and Middle School.
- On Veterans' Day, 86 meals were prepared at and by the Senior Center staff and delivered to Homebound Seniors in town.
- Increased program participants for Fresh Table from 24 to 35.
- Increased Brown Bag program from 32 to 48 eligible recipients
- Through local assisted living facilities and nursing homes we expanded the Tuesday Night Dinner Buffet for a total of 6 months April – October. 35 seniors attended each month.
- Added the services of a massage therapist as an addition to the wellness programs and benefit of senior care for the seniors.
- Established social media presence and frequency of posting: Facebook, Twitter and Patch. Completed installment of all social media applications to increase marketing, visibility and communication with town residents

FY17 GOALS

- Offer an online virtual learning experience through Senior Learning Network by July 15, 2016 and October 1, 2016.
- Increase trained facilitators for Early Alzheimer's Support from three to six by October 1, 2016
- Hold quarterly joint events with the Stevens Memorial Library through June 30, 2017. These events would include an art workshop, a music program, a writing program, and a visit from a re-enactor, such as "Teddy Roosevelt."

Elder Services Budget							
Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries, Full-Time	\$ 219,240	\$ 223,549	\$ 229,863	\$ 233,452	\$ 233,452	\$ 3,589	1.6%
Wages, Part-Time	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Longevity	\$ 3,100	\$ 3,100	\$ 3,275	\$ 3,575	\$ 3,575	\$ 300	9.2%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 222,340	\$ 226,649	\$ 233,138	\$ 237,027	\$ 237,027	\$ 3,889	1.7%
Expenses							
Repairs & Maintenance	\$ 705	\$ 1,021	\$ -	\$ -	\$ -	\$ -	
Equipment Rental / Lease	\$ 1,870	\$ 1,777	\$ 1,777	\$ 1,777	\$ 1,777	\$ 0	0.0%
Training & Education	\$ 316	\$ 1,035	\$ 970	\$ 1,535	\$ 1,535	\$ 565	58.2%
Telephone	\$ 1,481	\$ 1,431	\$ 1,254	\$ 1,400	\$ 1,400	\$ 146	11.7%
Postage Services	\$ 1,313	\$ -	\$ 1,584	\$ 1,500	\$ 1,500	\$ (84)	-5.3%
COA Community Education	\$ 1,100	\$ 500	\$ 300	\$ 1,000	\$ 1,000	\$ 700	233.3%
Health Clinic	\$ 3,750	\$ 3,765	\$ 3,600	\$ 4,500	\$ 4,500	\$ 900	25.0%
Social Activities	\$ 5,000	\$ 4,440	\$ 4,682	\$ 4,000	\$ 4,000	\$ (682)	-14.6%
Mental Health Lectures	\$ -	\$ -	\$ -	\$ 1,250	\$ 1,250	\$ 1,250	
Office Supplies	\$ 6,744	\$ 8,728	\$ 9,642	\$ 6,000	\$ 6,000	\$ (3,642)	-37.8%
Vehicle Fuel	\$ 5,262	\$ 5,473	\$ 3,278	\$ 6,000	\$ 6,000	\$ 2,722	83.0%
Uniforms & Clothing	\$ 250	\$ 150	\$ -	\$ 350	\$ 350	\$ 350	
Auto Mileage	\$ 858	\$ 745	\$ 1,691	\$ 1,000	\$ 1,000	\$ (691)	-40.9%
Dues/ Memberships & Subscriptions	\$ 1,243	\$ 1,521	\$ 1,524	\$ 1,525	\$ 1,525	\$ 1	0.0%
Total: Expense Costs	\$ 29,893	\$ 30,585	\$ 30,302	\$ 31,837	\$ 31,837	\$ 1,535	5.1%
Total: Elder Services Costs	\$ 252,233	\$ 257,234	\$ 263,440	\$ 268,864	\$ 268,864	\$ 5,424	2.1%

Elder Services Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE + / (-)
Elder Services	Director	1	1	1	1	0
	Program Manager	1	1	1	1	0
	Outreach Worker	1	1	1	1	0
	Administrative Secretary	1	1	1	1	0
	Van Driver	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		5	5	5	5	0

YOUTH & RECREATION SERVICES

MISSION STATEMENT

The mission of North Andover Youth & Recreation Services is to provide the community, youth and their families with staff, resources and programs with the goal of empowerment and building self-esteem. The positive experience of this involvement enriches and strengthens the fabric of our community for today and a lifetime.

SIGNIFICANT CHANGES

In the past fiscal year NAYRS completed its final phase of updating the vehicle fleet. NAYRS now has 2 mini buses and 1 town car purchased new since 2013.

FY16 saw the creation of a needs assessment for the Youth Center that will be completed in Spring of 2016.

PRIOR YEAR ACCOMPLISHMENTS

- In the past year NAYRS has completed installment of all social media applications to increase marketing, visibility and communication with town residents.
- FY16 also saw two new fields, McEvoy Field and Dale Street Field, come online.
- Held first annual Teen Job Fair, with 10 businesses and 250 high school students in search of local jobs
- Helping Hands raised \$8,000 for American Cancer Society, participated in Merrimack Valley Relay for Life, and worked with Lazarus House to provide birthday parties for 15 children in the shelter.
- Personal Care Drive provided 40 packages to teens in town with personal care items
- Thanksgiving Drive provided 100 meals for families in town
- Holiday Drive provided presents for over 200 children in town
- Establishment of Core 4 leadership program including Youth Summit in Spring 2015 and other events this school year
- Active Bystander workshops with 8th grade classes
- Organized a 3 on 3 basketball tournament for middle school students, coordinated by staff with two 8th grade girls; event raised \$1800 for the Cystic Fibrosis Foundation.
- Through Dunkin Donuts Kidzone, 24 middle school and high school members attended a Celtics game in December 2015

- With the JNHYC Board, held a successful Auction and Annual Fund campaign and awarded \$5,000 in college scholarships to high school seniors
- Made renovations to Lounge, Weight Room and Kitchen (furniture and equipment)
- Expanded Atkinson Summer Fun to include kindergarten students; had record year for Atkinson registrations
- Increased program offerings for high school students
- Increased usage of online registration for programming
- Held 23rd Annual 8th Grade Dress-Up Dance for over 300 8th grade students
- Assisted North Andover Parent Resource Network Committee in bringing in 5 relevant speakers for parents in the community
- Put on ten (10) Children's Shows and six (6) Concerts on the Town Common in Summer 2015
- Volunteer groups Step Up, Youth Council & Senior Youth Council completed community service activities and events in collaboration with the North Andover Senior Center, Brightview Senior Living, Stevens Memorial Library, Cor Unum Meal Center, North Andover Housing Authority, Franklin & Sargent Elementary Schools, and North Andover High School

FY17 GOALS

- In conjunction with the Fields Committee, School Department and town boards, take the Middle School Redevelopment Project from planning to complete design and funding stage by October 1, 2016
- Complete the Youth Community needs assessment by October 1, 2016
- Research and complete long term facility expansion needs in conjunction with NAYRS Board of Directors and Town of North Andover by January 2017

Youth & Recreation Services Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries, Full-Time	\$ 189,183	\$ 230,728	\$ 222,879	\$ 251,321	\$ 251,321	\$ 28,442	12.8%
Lifeguards	\$ 33,167	\$ 29,637	\$ 34,935	\$ 38,000	\$ 38,000	\$ 3,065	8.8%
Longevity	\$ 1,650	\$ 1,650	\$ 2,700	\$ 3,075	\$ 3,075	\$ 375	13.9%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 224,000	\$ 262,015	\$ 260,514	\$ 292,396	\$ 292,396	\$ 31,882	12.2%
Expenses							
Repairs/Maintenance	\$ 21,378	\$ 21,201	\$ 30,013	\$ 10,648	\$ 10,648	\$ (19,365)	-64.5%
Equipment Rental Lease	\$ 2,692	\$ 2,402	\$ 2,773	\$ 3,802	\$ 3,802	\$ 1,029	37.1%
Contracted Services	\$ -	\$ 864	\$ 929	\$ 4,314	\$ 4,314	\$ 3,385	364.6%
Training & Education	\$ 1,125	\$ 250	\$ 620	\$ 3,000	\$ 3,000	\$ 2,380	383.9%
Telephone	\$ 1,100	\$ 1,042	\$ 919	\$ 1,200	\$ 1,200	\$ 281	30.5%
Postage Services	\$ 592	\$ 788	\$ 900	\$ 900	\$ 900	\$ -	0.0%
Office Supplies	\$ 1,956	\$ 2,341	\$ 2,014	\$ 1,800	\$ 1,800	\$ (214)	-10.6%
Printing & Forms	\$ 846	\$ 1,000	\$ 1,352	\$ 1,700	\$ 1,700	\$ 348	25.7%
Vehicle Fuel	\$ 733	\$ 1,147	\$ 1,259	\$ 1,900	\$ 1,900	\$ 641	50.9%
Dues/ Memberships & Subscriptions	\$ -	\$ 75	\$ 200	\$ 200	\$ 200	\$ -	0.0%
Other Charges & Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Vehicles	\$ 43,000	\$ 48,706	\$ -	\$ -	\$ -	\$ -	
Total: Expense Costs	\$ 73,422	\$ 79,816	\$ 40,979	\$ 29,464	\$ 29,464	\$ (11,515)	-28.1%
Total: Youth Services Costs	\$ 297,423	\$ 341,832	\$ 301,493	\$ 321,860	\$ 321,860	\$ 20,367	6.8%

Youth & Recreation Services Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE + / (-)
Youth & Recreation	Director	1	1	1	1	0
	Support Services Coord	1	1	1	1	0
	Social Program Coord.	1	1	1	1	0
	Program Coord.	1	1	1	1	0
	Secretary/Admin Assistant	<u>0</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		4	5	5	5	0

VETERANS SERVICES

MISSION STATEMENT

The Veterans Services Department is to advocate on behalf of all the Commonwealth's Veterans and their family members in providing them with quality support services and to direct an emergency financial assistance program for those Veterans and their dependents that are in need of benefits and services as outlined in the provisions of Chapter 115 of the General Laws.

SIGNIFICANT CHANGES

The District Director of Veterans Services retired in late 2015 and Gerry Maguire was hired in January 2016 as the new VSO.

The Department of Veteran Affairs (VA) and the Department of Veterans Services (DVS) has directed that all VA claims be submitted as a Fully Developed Claim (FDC). This new directive will require additional work from this office as we are now required to obtain all documents needed to support a FDC prior to submitting any VA claims.

With the passing of Valor Act II, all VSO's must complete a State Certification Training within six months of being appointed as a VSO.

PRIOR YEAR ACCOMPLISHMENTS

- Appointed a new Veterans Grave Officer.
- Processed two new State Annuity applications awarding each applicant \$2,000 per year and verified four annual Annuity reverifications.
- Conducted five home/hospital visits to process VA Aid & Attendance applications which resulted in a combined average monthly income increase of \$1,260.25 eliminating the need for CH115 benefits.
- Continued working with the Veterans Northeast Outreach Center and the VA Veterans Homeless prevention program which has reduced the need for CH115 benefits.
- North Andover's First Veterans Affordable Family Housing unit in the last 50 years "Freedom House" now fully operational with three Veteran Families working with financial advisers to work their way to purchasing their own home through the VA Home loan program.

- Continue to work with local elected officials to find ways to provide additional affordable housing and rental property in North Andover. A proposal was submitted to Senator O’Conner Ives office to help offset rental cost for veteran families receiving CH115 Benefits.

FY17 GOALS

- Maintain at least a 95% reimbursement rate on all CH115 Benefits expended through June 30, 2017.

Veterans Services Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries - Full Time	\$ 68,581	\$ 92,059	\$ 78,425	\$ 52,530	\$ 52,530	\$ (25,895)	-33.0%
Salaries - Part Time	\$ -	\$ 450	\$ 14,735	\$ 22,080	\$ 22,080	\$ 7,346	49.9%
Stipend, Graves Officer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Longevity	\$ 1,275	\$ 1,650	\$ 1,458	\$ -	\$ -	\$ (1,458)	-100.0%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 69,856	\$ 94,159	\$ 94,618	\$ 74,610	\$ 74,610	\$ (20,008)	-21.1%
Expenses							
Training & Education	\$ 596	\$ 1,152	\$ 991	\$ 2,400	\$ 2,400	\$ 1,409	142.3%
Patriotic & Civil Celebrations	\$ 4,144	\$ 5,329	\$ 2,348	\$ 2,000	\$ 2,000	\$ (348)	-14.8%
Rental of Veterans Quarters	\$ 352	\$ -	\$ 2,900	\$ 1,200	\$ 1,200	\$ (1,700)	-58.6%
Graves Registration	\$ 3,535	\$ 2,518	\$ 3,325	\$ 4,000	\$ 4,000	\$ 675	20.3%
Telephone	\$ 733	\$ 637	\$ 626	\$ 1,380	\$ 1,380	\$ 754	120.5%
Postage	\$ 500	\$ 282	\$ 440	\$ 600	\$ 600	\$ 160	36.4%
Office Supplies	\$ 1,596	\$ 721	\$ 694	\$ 1,600	\$ 1,600	\$ 906	130.6%
Auto Mileage	\$ 403	\$ 434	\$ 379	\$ 1,000	\$ 1,000	\$ 622	164.2%
Dues & Subscriptions	\$ 80	\$ 80	\$ 35	\$ 250	\$ 250	\$ 215	614.3%
Veterans Benefits	\$ 250,428	\$ 278,588	\$ 247,524	\$ 325,000	\$ 325,000	\$ 77,476	31.3%
Other Charges and Expense	\$ -	\$ 5,232	\$ 2,510	\$ 2,300	\$ 2,300	\$ (210)	
Capital Outlay <\$5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Expense Costs	\$ 262,367	\$ 294,972	\$ 261,772	\$ 341,730	\$ 341,730	\$ 79,959	30.5%
Total: Veterans Benefits Costs	\$ 332,222	\$ 389,130	\$ 356,389	\$ 416,340	\$ 416,340	\$ 59,951	16.8%

Veteran Services Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE + / (-)
Veterans	Director	1	1	1	1	0
	Assistant Director	0.4	0	0	0	0
	Administrative Assistant	<u>0</u>	<u>0.5</u>	<u>0.6</u>	<u>0.5</u>	<u>-0.10</u>
Total		1.40	1.50	1.60	1.50	-0.10

STEVENS MEMORIAL LIBRARY

MISSION STATEMENT

The Stevens Memorial Library enhances the quality of life in North Andover's diverse community by fostering a commitment to literacy and a love of reading, providing opportunities for lifelong learning, and by creating spaces and opportunities to connect and engage.

SIGNIFICANT CHANGES

The most significant changes within the Library again this year revolve around staffing. The addition of two Library Assistants have had a positive impact, especially for weekend service and scheduling. The departure of professional staff in key positions continues, however, to negatively impact operations.

PRIOR YEAR ACCOMPLISHMENTS

- Certified by the Massachusetts Board of Library Commissioners, making the Library eligible to participate in the state-wide interlibrary resource sharing (both physical materials and digital, virtual collections) and to receive MA State Aid to Public Libraries funds.
- Maintained the Library's scheduled hours of operation and basic services through a staff-challenged year.
- Maintained the level of Children's programming across all ages, ranging from offerings for toddlers and pre-school children in response to ongoing patron interest in early literacy and reading readiness programs; to elementary grade book clubs; class visits by schools; and visits to school classrooms.
- Partnered with the Senior Center for the third year with a Memoir Writing Program. Three more programs are scheduled throughout the remainder of the fiscal year. The senior population are some of the most regular participants to the Library's Monday afternoon Technology Help drop-in sessions.
- Completed the third year of expanded Library summer programming at the Stevens Estate with its weekly "Movies under the Tent."
- Provided more literary activities during the year: monthly writers' group meeting, participated in *NaNoWriMo* (National Novel Writers Month) for the fourth year by offering a series of fiction writing workshops in November, and added a monthly *Poetry Open Mic* evening program.
- Continued to increase e-book and audio book access to meet patron increased demand. The Library ranks 6th of 36 MVLC libraries in e-book usage.

- Increased partnership with the North Andover Public School District (NAPS), adding activities to existing activities to support literacy and the K-12 curriculum.
 - ✓ Hosted neighborhood meetings for the new NAPS Superintendent.
 - ✓ Summer reading program, *Million Minute Challenge*, co-sponsored with NAPS, elementary Parent Teacher Organizations (PTOs), and endorsed by the School Committee.
 - ✓ Participated in NAPS New staff orientation day in August.
 - ✓ Meetings with NAPS school librarians, reading specialists, and K-12 Humanities curriculum coordinator. System established where elementary school librarian notifies Stevens of upcoming curriculum and projects.
 - ✓ Hosted meeting with NAPS 8 schools Parent Teacher Organizations (PTOs) presidents to understand their needs and operations.
 - ✓ Co-sponsored *Sunday at the Stevens* event with North Andover Parents Advisory Council (NAPAC).
 - ✓ Hosted a special *Family Night* for the North Andover Early Childhood Center.
 - ✓ Develop and co-sponsor *I-Author, I-Community* program for the coming year with NAPS and the Parent Resource Network (PRC).
 - ✓ Host reception and exhibit for North Andover's young poets, a joint project of the NAPS schools and the North Andover Poet Laureate.
 - ✓ Host reception and exhibit for North Andover Middle School *Arts Appreciation Month*.
 - ✓ Goals being re-examined based on the long range planning process: Collaborate with JumpStart, Reach Out and Read, and other literacy programs; Tail Wagging Tutors programming; *Take your Child to the Library Day*", etc.

- Building improvements completed:
 - ✓ Restoration of the Historic Entrance doors, partially funded by a Community Preservation grant.
 - ✓ Creation of a gender-neutral baby changing room and the relocation of the Janitor Closet.
 - ✓ Installation of energy-efficient blinds in the Reading Room skylight and the removal deteriorating external solar film.
 - ✓ Building Envelope Study, an engineering appraisal to the Library's roof and its components (chimneys, parapets, gutters, etc.), was completed.

- Created new 5-Year Long Range Plan, based on data gathered from a number of meetings, focus group sessions, and an online survey. This data will direct changes in services and the building for the next five years.

FY17 GOALS

- Improve on deliverability of 21st century services through staffing levels and staff competencies:
 - ✓ Maintain Library's hours of operation with adequate staff levels to support programs and events.
 - ✓ Library leadership staff regularly participate in MVLC Network meetings and committees.

Stevens Memorial Library Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries - Full-Time	\$ 356,888	\$ 354,088	\$ 342,503	\$ 365,696	\$ 359,474	\$ 16,970	5.0%
Salaries - Part-Time	\$ 219,028	\$ 243,766	\$ 280,514	\$ 346,669	\$ 338,583	\$ 58,069	20.7%
Overtime	\$ 9,156	\$ 6,106	\$ 12,728	\$ 5,000	\$ 5,000	\$ (7,728)	-60.7%
Longevity	\$ 4,394	\$ 3,182	\$ 3,282	\$ 3,282	\$ 3,282	\$ (0)	0.0%
Sunday Time/ Bonus	\$ 17,135	\$ 21,030	\$ 17,000	\$ 20,000	\$ 20,000	\$ 3,000	17.6%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 606,601	\$ 628,172	\$ 656,027	\$ 740,647	\$ 726,338	\$ 70,312	10.7%
Expenses							
Electricity	\$ 14,058	\$ 23,115	\$ 24,635	\$ 23,000	\$ 23,000	\$ (1,635)	-6.6%
Heating Fuel	\$ 9,500	\$ 9,920	\$ 9,227	\$ 9,500	\$ 9,500	\$ 273	3.0%
Water	\$ 1,201	\$ 1,682	\$ 1,600	\$ 1,500	\$ 1,500	\$ (100)	-6.2%
Repairs & Maintenance	\$ 6,467	\$ 7,784	\$ 5,813	\$ 9,600	\$ 9,000	\$ 3,187	54.8%
Equipment Rental/Lease	\$ 1,605	\$ 1,737	\$ 2,062	\$ 1,850	\$ 1,850	\$ (212)	-10.3%
Advertising	\$ -	\$ 143	\$ -	\$ -	\$ -	\$ -	
Contracted Services	\$ 39,180	\$ 40,131	\$ 40,967	\$ 41,768	\$ 40,967	\$ -	0.0%
Software Licenses	\$ 6,673	\$ 10,705	\$ 10,549	\$ 11,085	\$ 10,000	\$ (549)	-5.2%
Telephone	\$ 861	\$ 934	\$ 864	\$ 980	\$ 900	\$ 36	4.1%
Postage Services	\$ 647	\$ 1,112	\$ 1,000	\$ 1,000	\$ 1,000	\$ 0	0.0%
Office Supplies	\$ 3,287	\$ 3,584	\$ 4,836	\$ 4,000	\$ 4,000	\$ (836)	-17.3%
Materials & Supplies	\$ 3,821	\$ 3,982	\$ 4,070	\$ 4,000	\$ 4,000	\$ (70)	-1.7%
Building Repairs & Maintenance	\$ 16,358	\$ 17,669	\$ 16,576	\$ 9,350	\$ 17,750	\$ 1,174	7.1%
Vehicle Fuel	\$ 80	\$ 93	\$ 38	\$ 100	\$ 100	\$ 62	163.0%
Periodicals	\$ 6,972	\$ 7,581	\$ 7,422	\$ 8,350	\$ 8,500	\$ 1,078	14.5%
Books	\$ 101,742	\$ 94,259	\$ 98,093	\$ 97,000	\$ 105,000	\$ 6,907	7.0%
AV/Electronic Materials	\$ 39,527	\$ 39,918	\$ 48,830	\$ 44,500	\$ 45,000	\$ (3,830)	-7.8%
Uniforms & Clothing	\$ 1,750	\$ 1,900	\$ 2,550	\$ 2,300	\$ 2,125	\$ (425)	-16.7%
Auto Mileage	\$ 498	\$ 440	\$ 803	\$ 500	\$ 500	\$ (303)	-37.7%
Equipment Technology - Replacement	\$ 600	\$ -	\$ 4,216	\$ -	\$ -	\$ (4,216)	
Total: Expense Costs	\$ 254,826	\$ 266,691	\$ 284,150	\$ 270,383	\$ 284,692	\$ 542	0.2%
Total: Library Costs	\$ 861,428	\$ 894,863	\$ 940,176	\$ 1,011,030	\$ 1,011,030	\$ 70,854	7.5%

Stevens Memorial Library Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE + / (-)
Library	Director	1	1	1	1	0
	Assistant Director	1	1	1	1	0
	Reference Librarian	1.5	1.7	1.8	1.8	0
	Assistant to Youth Services	0.7	0.7	0.5	0.5	0
	Library Assistant	1	1	2.8	2.8	0
	Head of Reference	1	1	1.0	1.0	0
	Adult Library Assistant	0.7	0.7	0.7	0.7	0
	Cr. Library Assistant	1.7	1.7	1.0	1.1	0.1
	Head of Circulation	1	1	1.0	1.0	0
	Senior Custodian	1	1	1.0	1.0	0
	Part Time Custodian	0	0.3	0.3	0.3	0
	Professional Librarian	0.5	2	0.0	0.0	0
	Head of Youth Services	1	1	1.0	1.0	0
	Department Assistant	0	0.0	0.3	0.4	0.1
	Assistant Childrens Librarian	0	0.0	0.5	0.5	0
	Technical Serv & Ref Librarian	0	0.0	0.5	0.5	0
	Shared Staff with School	<u>0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.5</u>	<u>0.5</u>
Total		12.1	14.1	14.4	15.1	0.7

Auditing							
Expense Line Item Expenses	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Request	2017 ADOPTED	Dollar Change	Percent Change
Auditing Services	57,580	58,580	54,080	55,000	\$55,000	920	1.7%
Total: Expense Costs	\$57,580	\$58,580	\$54,080	\$55,000	\$55,000	\$920	1.7%
Total: Auditing Costs	\$57,580	\$58,580	\$54,080	\$55,000	\$55,000	\$920	1.7%

ADMIN SUPPORT

MISSION STATEMENT

Purchasing is responsible for overseeing all purchasing functions for municipal departments. Purchasing ensures the Town engages in cost effective purchasing procedures and contract management, and is in compliance with Massachusetts laws governing procurement of supplies, services, materials, equipment, construction projects, telecommunications, and utilities. Purchasing provides assistance to School Department as needed.

SIGNIFICANT CHANGES

There were no significant changes to the Purchasing Department this fiscal year.

PRIOR YEAR ACCOMPLISHMENTS

- Implemented town-wide contracts (municipal and schools) for a variety of services.
- Issued construction bid documents for the renovation of Town Hall/former Fire Station.
- Issued Request for Qualifications for both the Owner's Project Manager and Design Services for renovations to Public Works building.
- Coordinated the issuance of many Request for Quotes, Invitations for Bids, and Request for Proposals for municipal departments as well as for the school department

FY17 GOALS

- To issue construction bid documents to renovate the Public Works building by October 31, 2016.
- To issue Request for Qualifications for Design Services for expansion of school classrooms by August 31, 2016.
- To continue to implement a standardized method in all municipal departments in order to obtain quotes, bids or proposals for the purchase of goods and/or services (throughout fiscal year).

Admin Support Budget							
Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries, Full-Time	\$ 47,520	\$ 48,351	\$ 49,248	\$ 125,468	\$ 125,468	\$ 76,220	154.8%
Longevity	\$ 413	\$ 413	\$ 413	\$ 1,213	\$ 1,213	\$ 800	193.9%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 47,932	\$ 48,764	\$ 49,661	\$ 126,681	\$ 126,681	\$ 77,020	155.1%
Expenses							
Advertising	\$ 208	\$ 607	\$ -	\$ 500	\$ 500	\$ 500	
Training & Education	\$ 300	\$ 70	\$ -	\$ 850	\$ 850	\$ 850	
Telephone	\$ -	\$ -	\$ -	\$ 480	\$ 480	\$ 480	0.0%
Postage	\$ 53	\$ -	\$ 28	\$ 250	\$ 250	\$ 222	799.3%
Office Supplies	\$ 225	\$ 52	\$ 191	\$ 200	\$ 200	\$ 9	4.6%
Printing and Forms	\$ -	\$ -	\$ -	\$ 2,000	\$ 2,000	\$ 2,000	0.0%
Auto Mileage	\$ 165	\$ 206	\$ 412	\$ 300	\$ 300	\$ (112)	-27.1%
Dues & Subscriptions	\$ 175	\$ -	\$ -	\$ 175	\$ 175	\$ 175	
Other Charges & Expense	\$ 61	\$ -	\$ 30	\$ 250	\$ 250	\$ 220	728.1%
Total: Expense Costs	\$ 1,187	\$ 935	\$ 661	\$ 5,005	\$ 5,005	\$ 4,344	657.4%
Total: Purchasing Costs	\$ 49,119	\$ 49,699	\$ 50,321	\$ 131,686	\$ 131,686	\$ 81,364	161.7%

Admin Support Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE + / (-)
Purchasing	Director	0.5	0.5	0.5	0.5	0
	Payroll Coordinator	0	0	0	1	1
	A/P Clerk	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total		0.5	0.5	0.5	1.5	1

INFORMATION TECHNOLOGY

MISSION STATEMENT

The Town of North Andover is committed to excellence in Information Technology in order to support communication, collaboration, efficiency, transparency and service.

Investments in North Andover Technology must always be consistent with these goals in their service of Municipal and School Departments, Employees, Students, Parents, Volunteers and Constituents.

The Information Technology Department provides appropriate access to, support for and maintenance of systems and services that sustain, enhance and extend the delivery of high quality, customer-focused service. In support of the mission, the Department is tasked with primary responsibility for long-range planning; resource acquisition and integration; and network security, reliability and continuity for all Municipal & School operations.

SIGNIFICANT CHANGES

There have been no significant changes in the IT Department for the past year.

PRIOR YEAR ACCOMPLISHMENTS

- Upgraded enterprise core from 1 to 10Gbs, increased internet bandwidth from 500 to 750 Mbs
- Connected new Fire Station, Stevens Estate and Bradford Tower to fiber network
- Completed technology for new Fire Station and connected users and equipment
- Completed Munis AP, GL and Payroll
- Implemented PeopleForms/GIS and Online Permitting increasing town-wide use of forms and maps.
- Implemented Google Apps for Government

FY17 GOALS

- Complete transition to Munis Tax, Utility Billing, Customer and Employee Self Service by December 31, 2016
- Upgrade virtual servers and storage at Police Department by October 31, 2016.
- Complete transition to IMC Public Safety Software by March 31, 2017.

Information Technology Budget						
Expense Line Item	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	439,778	469,745	540,268	540,268	70,523	15.0%
Salaries - Part Time	-	-	-	-	-	
Longevity	1,050	2,100	2,200	2,200	100	4.8%
Salary Reserve	-	-	-	-	-	
Total: Personnel Costs	\$440,828	\$471,845	\$542,468	\$542,468	\$70,623	15.0%
Expenses						
Network	175,927	132,496	130,000	130,000	(2,496)	-1.9%
Repairs & Maintenance	9,840	19,899	20,000	20,000	101	0.5%
Outside Professional Service	347,805	297,823	337,100	312,100	14,277	4.8%
Advertising	1,265	-	-	-	-	
Software Licenses	67,726	93,699	88,930	88,930	(4,768)	-5.1%
Training & Education	298	19,294	18,000	18,000	(1,294)	-6.7%
Telephone	31,389	32,014	32,000	32,000	(14)	0.0%
Postage	-	3	-	-	(3)	-100.0%
Office Supplies	1,854	1,480	1,500	1,500	20	1.4%
Auto Mileage	1,735	1,763	2,500	2,500	737	41.8%
Dues and Subscriptions	-	-	300	300	300	
Equipment Technology - Replacement	139,487	67,218	100,000	100,000	32,782	48.8%
Total: Expense Costs	\$777,326	\$665,688	\$730,330	\$705,330	\$39,643	6.0%
Total: InformationTechnology Costs	\$1,218,154	\$1,137,533	\$1,272,798	\$1,247,798	\$110,266	9.7%

Information Technology Personnel Listing					
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE + / (-)
Information Technology	IT Director Town	1	1	1	0
	IT Director - School	1	1	0.4	-0.6
	Network Engineer	1	1	1	0
	IT Systems Support	<u>5</u>	<u>5</u>	<u>6</u>	<u>1</u>
Total		8	8	8.4	0.4

FACILITIES MANAGEMENT

MISSION STATEMENT

Facilities Management provides safe, functional and efficient building facilities for municipal and educational operations.

SIGNIFICANT CHANGES

There have been no significant changes in the Facilities Management Department for the past year.

PRIOR YEAR ACCOMPLISHMENTS

- Expanded full time use of new EMS (Energy Management System) to monitor, control & service municipal & school district mechanical systems.
- Use of “People Forms” (“Report It”) software program for the management of facilities needs to include the; reporting, tracking, trending, recording, implementation & quality control of repairs.
- Participation in the design review and construction oversight on building projects (New Central Fire Station and Town hall).
- Provide project management for “self-performing” projects:
 - Stevens estate – Fire alarm and fire protection system modifications and Steam heating system modifications (steam traps)
 - Town Hall – boiler replacements
 - NAMS – new SPED classroom
 - Atkinson School – foundation waterproofing
 - Franklin – front entry stairs repairs
 - Thomson School – building air sealing
- Continued scanning of hard copy facilities documents into electronic archive database including testing and certifications, facility drawings, and building specifications.
- Provided a responsive resource to building occupants/stakeholders regarding the identification/investigation/resolution of building related issues.

- Consolidated procurement and management of building systems testing, certification, preventive maintenance and management.

FY17 GOALS

- Expanded utilization of EMS, through June 2017, to provide
 1. Improved energy savings & operational efficiency
 2. Local schedule override monitoring
 3. Timely diagnosis and response to system problems
 4. Continued education/training regarding energy efficiency
 5. ESCO contract compliance monitoring
- Update Facilities Condition Assessments by December 31, 2016 to include:
 1. Identification and document present condition of critical building elements
 2. Prioritized list of repairs, upgrades, deficiencies, life expectancy
 3. Forecast repair/replacement cost estimates
- Monitor roofing systems performance by October 31, 2016 by:
 1. Implementation of MIIA roof inspection program,
 2. Education and training of facility/custodial staff
- Improve building project performance by using the facilities department as a “project resource” to include;
 1. Planning, feasibility, budgeting, “prioritization, coordination and quality control
 2. Continued use of “self-performing” delivery method for small projects.
- Continued/expanded use of outsourced contractors and service providers through June 2017
- Implement a consolidated building repair and maintenance program using “People Forms”, by December 31, 2016 to
 1. Enable all reporting stakeholders to identify and track issues
 2. Provide a more streamlined and cost efficient response
 3. Allow for improved management, implementation, tracking and closeout.
 4. Record and trend repairs
- Continued planned replacement/upgrade of building components on a timely basis to address “end of service life” issues and to avoid emergency procurements through June 2017.
- Continued improvements/repairs/replacement of building weather and thermal envelopes through June 2017.
- Expand the use of existing fiber optic network and building EMS equipment to;

1. Provide communications path for building alarms (security, low temp, high water, etc.)
- 2.eliminate rental of “copper” lines from telecommunications vendor

Facilities Budget							
Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Personnel							
Salaries, Full-Time	159,233	162,019	165,704	166,086	166,086	382	0.2%
Seasonal Help	-	-	-	-	-	-	
Longevity	-	-	-	-	-	-	
Salary Reserve	-	-	-	-	-	-	
Total: Personnel Costs	\$159,233	\$162,019	\$165,704	\$166,086	\$166,086	\$382	0.2%
Expenses							
Advertising	\$ 317	\$ 762	\$ 619	\$ 1,750	\$ 1,750	1,131	182.9%
Contract Services	\$ 16,713	\$ 48,231	\$ 38,142	\$ 50,000	\$ 50,000	11,858	31.1%
Training & Education	\$ 721	\$ 499	\$ 877	\$ 1,500	\$ 1,500	623	71.0%
Telephone	\$ 690	\$ 1,127	\$ 1,105	\$ 1,500	\$ 1,500	395	35.7%
Postage	\$ 110	\$ 100	\$ 62	\$ 250	\$ 250	188	306.0%
Office Supplies	\$ 210	\$ 172	\$ 480	\$ 550	\$ 550	70	14.5%
Materials and Supplies	\$ 4,026	\$ 613	\$ 1,206	\$ 550	\$ 550	(656)	-54.4%
Printing and Forms	\$ 273	\$ -	\$ -	\$ 500	\$ 500	500	
Building Repairs and Maintenance	\$ 12,490	\$ 28,415	\$ 44,361	\$ 55,000	\$ 55,000	10,639	24.0%
Vehicle Fuel	\$ 526	\$ 410	\$ 208	\$ 867	\$ 867	659	316.5%
Auto Mileage	\$ -	\$ -	\$ -	\$ 250	\$ 250	250	
Dues & Subscriptions	\$ 210	\$ 210	\$ 275	\$ 500	\$ 500	225	81.8%
Other Charges & Expense	\$ 1,179	\$ 1,401	\$ 364	\$ 3,000	\$ 3,000	2,636	724.4%
Capital Outlay	\$ 39,522	\$ 49,958	\$ 50,828	\$ 30,000	\$ 30,000	(20,828)	-41.0%
Total: Expense Costs	\$76,987	\$131,899	\$138,527	\$146,217	\$146,217	\$7,690	5.6%
Total: Facilities Costs	\$236,220	\$293,918	\$304,231	\$312,303	\$312,303	\$8,072	2.7%

Facilities Personnel Listing						
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE +/-
Facilities	Director	1	1	1	1	0
	Maintenance Facility Manager	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		2	2	2	2	0

EDUCATION

MISSION STATEMENT

The mission of North Andover Public Schools is to cultivate a respectful community of engaged learners, insightful thinkers, and effective communicators.

The assessment for the Education Department is set in large part by the Education Reform Act of 1993 and subsequent laws related to Education Reform.

The total FY17 Recommended School Budget of \$ 45,226,141 represents an increase of \$1,613,662 or 3.7% from FY16. Although Chapter 70 school aid had an increase in the Governor Budget, it does not keep pace with the increases in contractual and other obligations.

Details of the School Departments budget can be found in the separate budget document developed by the School Committee.

Education Budget							
Expense Line Item Personnel	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2016 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Salaries	\$ 30,247,202	\$ 31,640,487	\$ 34,340,540	\$ 35,099,021	\$ 35,099,021	\$ 758,481	2.2%
Total: Personnel Costs	\$ 30,247,202	\$ 31,640,487	\$ 34,340,540	\$ 35,099,021	\$ 35,099,021	\$ 758,481	2.2%
Expenses							
Expenses	\$ 9,614,475	\$ 9,817,174	\$ 9,421,574	\$ 10,127,120	\$ 10,127,120	\$ 705,546	7.5%
All Day Kindergarten	\$ -	\$ 680,000	\$ -	\$ -	\$ -	\$ -	
Total Expense Education	\$ 39,861,677	\$ 42,137,661	\$ 43,762,114	\$ 45,226,141	\$ 45,226,141	\$ 1,464,027	3.3%
Special Education Reserve	\$ -	\$ 175,000	\$ -	\$ -	\$ -	\$ (175,000)	
Regional Vocational Tech School	\$ 259,779	\$ 293,066	\$ 347,896	\$ 454,589	\$ 454,589	\$ 106,693	30.7%
Essex County Agricultural School	\$ -	\$ -	\$ 136,282	\$ 140,370	\$ 140,370	\$ 4,088	3.0%
Total Assessments	\$ 259,779	\$ 468,066	\$ 484,178	\$ 594,960	\$ 594,960	\$ (64,218)	22.9%
Total: Education	\$ 40,121,456	\$ 42,605,727	\$ 44,246,292	\$ 45,821,101	\$ 45,821,101	\$ 1,399,809	3.6%

North Andover School Personnel Listing							
Department	Title	FY12 STAFF POS.	FY13 STAFF POS.	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE + / (-)
School							
	Administrative Assistants	20.6	20	19.5	19.5	19.5	0
	Paraprofessionals and Aides	93.9	104.1	104.1	102.2	103.2	1
	Teachers and Other Professionals	297.8	303.6	303.6	304.8	307.1	2.3
	Nurses	9.8	8.8	8.8	8.8	8.8	0
	Custodians and Maintenance	27.7	26.7	26.7	26.7	26.7	0
	School Administration	12	12	12	12	12	0
	District Administration	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>0</u>
Total		465.8	479.2	478.7	478	481.3	3.3

Non-Departmental Budget

Health Insurance and Property Insurance

Pursuant to MGL Chapter 32B, as a benefit of employment, any active, permanent employee of the Town who regularly works twenty (20) hours or more per week is eligible for group health insurance coverage.

The Board of Selectmen accepted MGL Chapter 32b, Section 21-23, which allowed the Town the ability to transfer over to the Group Insurance Commission (GIC) effective January 1, 2014. The GIC offers the choice of the various HMO, PPO, HMO type, PPO type, indemnity, non-Medicare eligible (under 65) and non-Medicare eligible (over 65) plans.

As of January 1, 2015 a total of 941 employees and retirees were enrolled in one of the Town's health insurance plans.

The Town and the Public Employee Committee (PEC) have executed an agreement which will define health insurance benefits for a six year period. The Town expects significant savings during the next several years as a result of this agreement.

Health Insurance / Property Insurance							
Expense Line Item	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 ADOPTED	Dollar Change	Percent Change
Expenses							
Health Insurance	\$ 10,242,904	\$ 10,547,403	\$ 8,598,806	\$ 8,984,148	\$ 10,585,011	\$ 1,600,862	
Total Health Insurance	\$ 10,242,904	\$ 10,547,403	\$ 8,598,806	\$ 8,984,148	\$ 10,585,011	\$ 1,600,862	17.8%
Property & Casualty Insurance	\$ 290,896	\$ 301,405	\$ 293,178	\$ 388,425	\$ 420,000	\$ 31,575	
Total Property & Casualty Insurance	\$ 290,896	\$ 301,405	\$ 293,178	\$ 388,425	\$ 420,000	\$ 31,575	8.1%
Total: Health - Property Insurance Expenses	\$ 10,533,800	\$ 10,848,808	\$ 8,891,984	\$ 9,372,573	\$ 11,005,011	\$ 1,632,437	17.4%

The rates in the chart below are the actual rates for FY16 as of July 1, 2015.

GIC HEALTH INSURANCE RATE CHART FOR ACTIVE EMPLOYEES

*Individual Cost
Hired before January 1, 2013*

Health Plan	Plan type	Rate Split	Total Cost	Employee Share	Town Share	Number of Active Enrollees
Fallon Community Health Plan Direct	HMO	25/75	\$ 492.89	\$ 123.22	\$ 369.67	6
Fallon Community Health Plan Select	HMO	25/75	\$ 654.98	\$ 163.75	\$ 491.24	3
Harvard Pilgrim Independence Plan	PPO	25/75	\$ 749.39	\$ 187.35	\$ 562.04	33
Harvard Pilgrim Primary Choice Plan	HMO	25/75	\$ 599.51	\$ 149.88	\$ 449.63	18
Health New England	HMO	25/75	\$ 494.17	\$ 123.54	\$ 370.63	0
NHP Care	HMO	25/75	\$ 470.71	\$ 117.68	\$ 353.03	9
Tufts Health Plan Navigator	PPO	25/75	\$ 659.25	\$ 164.81	\$ 494.44	77
Tufts Health Plan Spirit	HMO Type	25/75	\$ 501.40	\$ 125.35	\$ 376.05	6
Unicare State Indemnity Plan/Community Choice	PPO Type	25/75	\$ 472.29	\$ 118.07	\$ 354.22	6
Unicare State Indemnity Plan/Plus	PPO Type	25/75	\$ 655.64	\$ 163.91	\$ 491.73	6

Health Plan	Plan type	Rate Split	Total Cost	Employee Share	Town Share	Number of Active Enrollees
Unicare State Indemnity Plan/Basic with CIC	Indemnity	50/50	\$ 974.65	\$ 487.33	\$ 487.33	0
Unicare State Indemnity Plan/Basic without CIC	Indemnity	50/50	\$ 932.32	\$ 466.16	\$ 466.16	0

*Individual Cost
Hired after January 1, 2013*

Health Plan	Plan type	Rate Split	Total Cost	Employee Share	Town Share	Number of Active Enrollees
Harvard Pilgrim Independence Plan	PPO	35/65	\$ 749.39	\$ 262.29	\$ 487.10	1
Tufts Health Plan Navigator	PPO	35/65	\$ 659.25	\$ 230.74	\$ 428.51	6
Unicare State Indemnity Plan/Community Choice	PPO Type	35/65	\$ 472.29	\$ 165.30	\$ 306.99	
Unicare State Indemnity Plan/Plus	PPO Type	35/65	\$ 655.64	\$ 229.47	\$ 426.17	

GIC HEALTH INSURANCE RATE CHART FOR ACTIVE EMPLOYEES

Family Cost

Hired before January 1, 2013

Health Plan	Plan type	Rate Split	Total Cost	Employee Share	Town Share	Number of Enrollees
Fallon Community Health Plan Direct	HMO	25/75	\$ 1,182.96	\$ 295.74	\$ 887.22	6
Fallon Community Health Plan Select	HMO	25/75	\$ 1,571.91	\$ 392.98	\$ 1,178.93	4
Harvard Pilgrim Independence Plan	PPO	25/75	\$ 1,828.49	\$ 457.12	\$ 1,371.37	82
Harvard Pilgrim Primary Choice Plan	HMO	25/75	\$ 1,462.80	\$ 365.70	\$ 1,097.10	50
Health New England	HMO	25/75	\$ 1,225.14	\$ 306.29	\$ 918.86	1
NHP Care	HMO	25/75	\$ 1,247.36	\$ 311.84	\$ 935.52	2
Tufts Health Plan Navigator	PPO	25/75	\$ 1,609.60	\$ 402.40	\$ 1,207.20	200
Tufts Health Plan Spirit	HMO Type	25/75	\$ 1,210.86	\$ 302.72	\$ 908.15	15
Unicare State Indemnity Plan/Community Choice	PPO Type	25/75	\$ 1,136.29	\$ 284.07	\$ 852.22	14
Unicare State Indemnity Plan/Plus	PPO Type	25/75	\$ 1,566.91	\$ 391.73	\$ 1,175.18	6

Health Plan	Plan type	Rate Split	Total Cost	Employee Share	Town Share	Number of Enrollees
Unicare State Indemnity Plan/Basic with CIC	Indemnity	50/50	\$ 2,281.72	\$ 1,140.86	\$ 1,140.86	3
Unicare State Indemnity Plan/Basic without CIC	Indemnity	50/50	\$ 2,183.55	\$ 1,091.78	\$ 1,091.78	0

Family Cost

Hired after January 1, 2013

Health Plan	Plan type	Rate Split	Total Cost	Employee Share	Town Share	Number of Enrollees
Harvard Pilgrim Independence Plan	PPO	35/65	\$ 1,828.49	\$ 639.97	\$ 1,188.52	
Tufts Health Plan Navigator	PPO	35/65	\$ 1,462.80	\$ 511.98	\$ 950.82	1
Unicare State Indemnity Plan/Community Choice	PPO Type	35/65	\$ 1,136.29	\$ 397.70	\$ 738.59	
Unicare State Indemnity Plan/Plus	PPO Type	35/65	\$ 1,566.91	\$ 548.42	\$ 1,018.49	

GIC HEALTH INSURANCE RATE CHART FOR RETIREE'S

Non Medicare Eligible (under 65 yrs)

Individual Cost

Health Plan	Plan type	Total Cost	Number of Enrollees	Rate Split							
				10/90	14/86	15/85	18.3/81.7	21.6/78.40	25/75	35/65	50/50
Fallon Community Health Plan Direct	HMO	\$ 483.21	1			1					
Fallon Community Health Plan Select	HMO	\$ 615.39	4		2	1			1		
Harvard Pilgrim Independence Plan	PPO	\$ 686.12	1						1		
Harvard Pilgrim Primary Choice Plan	HMO	\$ 548.89	5		3		1	1			
Health New England	HMO	\$ 481.89	0								
NHP Care	HMO	\$ 465.41	2			2					
Tufts Health Plan Navigator	PPO	\$ 619.87	6			1			4	1	
Tufts Health Plan Spirit	HMO Type	\$ 500.37	4		3				1		
Unicare State Indemnity Plan/Community Choice	PPO Type	\$ 456.68	50	2		45			2	1	
Unicare State Indemnity Plan/Plus	PPO Type	\$ 656.90	6			1			5		

Health Plan	Plan type	Total Cost	Number of Enrollees	Rate Split							
				10/90	14/86	15/85	18.3/81.7	21.6/78.40	25/75	35/65	50/50
Unicare State Indemnity Plan/Basic with CIC	Indemnity	\$ 936.24	3			2					1
Unicare State Indemnity Plan/Basic without CIC	Indemnity	\$ 893.83	0								

Non Medicare Eligible (under 65 yrs)

Family Cost

Health Plan	Plan type	Total Cost	Number of Enrollees	Rate Split							
				10/90	14/86	15/85	18.3/81.7	21.6/78.40	25/75	35/65	50/50
Fallon Community Health Plan Direct	HMO	\$ 1,159.70	3			2			1		
Fallon Community Health Plan Select	HMO	\$ 1,476.92	10			10					
Harvard Pilgrim Independence Plan	PPO	\$ 1,674.20	3						3		
Harvard Pilgrim Primary Choice Plan	HMO	\$ 1,339.36	9			2			7		
Health New England	HMO	\$ 1,194.71	0								
NHP Care	HMO	\$ 1,233.34	3			1			2		
Tufts Health Plan Navigator	PPO	\$ 1,497.60	8			1			7		
Tufts Health Plan Spirit	HMO Type	\$ 1,206.01	0								
Unicare State Indemnity Plan/Community Choice	PPO Type	\$ 1,095.99	18			16			2		
Unicare State Indemnity Plan/Plus	PPO Type	\$ 1,567.69	4						4		

Health Plan	Plan type	Total Cost	Number of Enrollees	Rate Split							
				10/90	14/86	15/85	18.3/81.7	21.6/78.40	25/75	35/65	50/50
Unicare State Indemnity Plan/Basic with CIC	Indemnity	\$ 2,185.22	1	1							1
Unicare State Indemnity Plan/Basic without CIC	Indemnity	\$ 2,086.85	0								

GIC HEALTH INSURANCE RATE CHART FOR RETIREE'S

Medicare Eligible (over 65 yrs)

Health Plan	Plan type	Total Cost	Number of Enrollees	Rate Split								
				10/90	14/86	15/85	18.3/81.7	21.6/78.40	25/75	35/65	50/50	
Fallon Senior Plan	Medicare	\$ 290.79	5									
Harvard Medicare Senior Plan	Medicare	\$ 394.79	30			1					29	
Tufts Med Comm Senior Plan	Medicare	\$ 348.39	9								9	
Tufts Med Preferred Senior Plan	Medicare	\$ 266.56	12	1		6					5	
Unicare OME w/CIC	Medicare	\$ 379.45	265	16	101				1	147		

RETIREMENT

Under Massachusetts General Laws Chapter 32 the Town is required to enroll all employees (except teachers and administrators under contract by the School Department) who work in excess of nineteen (19) hours per week. The Town does not maintain its own system but is a member of the Essex Regional Retirement System and pays an annual assessment. We currently provide pension payments to approximately 223 retirees, and collect pension contributions from approximately 396 active employees.

The Town meets its share of cost primarily on a pay-as-you-go basis by contributing annually the amount determined by the State Division of Insurance.

Retirement Budget							
Expense Line Item	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 ADOPTED	Dollar Change	Percent Change
Expenses							
County Retirement	\$ 3,186,990	\$ 3,442,269	\$ 3,759,115	\$ 4,071,413	\$ 4,432,191	\$ 360,778	8.9%
Total: Retirement Cost	\$ 3,186,990	\$ 3,442,269	\$ 3,759,115	\$ 4,071,413	\$ 4,432,191	\$ 360,778	8.9%

Cherry Sheet Assessments

Chapter 59, Section 21 of the Massachusetts General Laws requires the Commissioner of Revenue to provide municipalities and regional school districts with advance estimates of state assessments and charges and county tax assessments. Local assessors are required to use these figures in determining the local property tax rate.

RETIRED TEACHER HEALTH INSURANCE

To reimburse the state for the costs of providing life and health insurance plans for retired municipal teachers. Each participating municipality is assessed for the governmental share of health and life insurance premiums paid on behalf of its teacher retirees by the state. For teachers retired prior to July 1, 1994 the state pays 90% of the total premium; the retiree's co-payment is 10% of the total premium. Teachers retired after July 1, 1994 the premium split is 85% employer 15% employee. A proportionate share of administrative expenses is also assessed to each municipality.

MOSQUITO CONTROL PROJECTS

To assess municipalities for the costs of mosquito control services. There are eight mosquito control districts whose costs are apportioned to member municipalities on the Cherry Sheet. All mosquito control projects are to be assessed their proportional expenses for the administration of the state Reclamation Board.

AIR POLLUTION CONTROL

The Air Pollution Commission supervises six districts statewide. The Commission is empowered through the Office of the Governor and has a mandate to control air pollution through the enforcement of Air Pollution Control Acts and Safety Standards.

REGIONAL TRANSPORTATION AUTHORITY

To assess municipalities in order to provide for a system of regional transportation authorities to develop, finance, and contract for the operation of transportation facilities and service outside the Metropolitan Boston area. Between 25% and 50% of the total net cost of service of each regional transit authority is assessed to its member municipalities in proportion to the estimated cost of operating routes through those municipalities. A net operating deficit for each regional transit authority is calculated as the difference between the revenue sources (fares, advertisements and federal assistance) and the operating costs. This deficit is funded through assessments to member municipalities and state contract assistance.

SPECIAL EDUCATION ASSESSMENT

To reimburse the state for providing special needs education to children enrolled in (1) state hospital schools or (2) private institutions, whose placements were made before 1975.

REGISTRY OF MOTOR VEHICLES-HOLD PROGRAM

The Town has implemented a provision of Massachusetts General Laws Chapter 90 which enables the City to request the State Registry of Motor Vehicles not to renew the license and registration of an operator/owner of a motor vehicle that has two or more outstanding parking tickets. This provision is enacted after the motorist has failed to pay the parking tickets and had an opportunity for a hearing. This program has resulted in a significant decrease in the number of delinquent payments.

SCHOOL CHOICE

To assess the sending municipality or regional school district for pupils attending another school district under school choice, School choice tuition charges are assessed against the sending district and paid to the receiving school district.

CHARTER SCHOOL

To assess the sending municipality or regional school district for pupils attending charter schools. Charter school tuition charges are assessed against the sending district and paid to the charter school district.

ESSEX COUNTY TECH INSTITUTE

To provide funding from sending communities to finance the operating budget of the Essex Agricultural and Technical High School. The school's tuition charges are assessed against the pupil's resident communities.

CHERRY SHEET OFFSETS

SCHOOL LUNCH

To reimburse part of the cost incurred in serving lunches to school children. The cost of meals served is partially reimbursed to extent funds are appropriated. Reimbursement is intended to supplement federal and local support.

PUBLIC LIBRARY

To support a statewide program of supplemental services for libraries of all types (public, school, colleges/universities, etc) in order to provide users with materials and information otherwise unavailable locally. Services include interlibrary loans, reference referral, delivery of materials, continuing education, technical assistance, database access and bookmobile service.

State Assessments & Offset Receipts

Expense Line Item	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 ADOPTED	Dollar Change	Percent Change
Projects							
Mosquito Control	\$ 90,159	\$ 91,372	\$ 91,677	\$ 91,843	\$ 94,427	\$ 2,584	2.8%
Special Education	\$ 7,155	\$ 11,769	\$ 18,904	\$ 17,668	\$ 12,364	\$ (5,304)	-30.0%
Retired Muncipal Teachers	\$ 1,316,435	\$ 755,578	\$ -	\$ -	\$ -	\$ -	
Air Pollution Control	\$ 8,819	\$ 9,251	\$ 9,195	\$ 9,394	\$ 9,471	\$ 77	0.8%
Regional Transit Authorities	\$ 184,305	\$ 185,776	\$ 185,331	\$ 191,505	\$ 190,891	\$ (614)	-0.3%
RMV Non Renewal Surcharge	\$ 17,280	\$ 18,580	\$ 18,580	\$ 18,580	\$ 19,137	\$ 557	3.0%
School Choice Assessment	\$ 14,068	\$ 5,000	\$ 5,243	\$ -	\$ 5,150	\$ 5,150	
Charter School Assessment	\$ 75,544	\$ 140,003	\$ 108,016	\$ 68,205	\$ 142,678	\$ 74,473	109.2%
Essex County Agricultural Tech	\$ 74,850	\$ 37,659	\$ 80,073	\$ -	\$ -	\$ -	
Total: Direct Expense	\$ 1,788,615	\$ 1,254,988	\$ 517,019	\$ 397,195	\$ 474,118	\$ 76,923	19.4%
CHERRY SHEET OFFSET RECEIPTS							
School Lunch	\$ 27,239	\$ 23,402	\$ 17,321	\$ -	\$ -	\$ -	
Public Library	\$ 23,021	\$ 22,696	\$ 30,659	\$ 31,884	\$ 31,771	\$ (113)	-0.4%
Total Cherry Sheet Assessments & Offset:	\$ 1,838,875	\$ 1,301,086	\$ 564,999	\$ 429,079	\$ 505,889	\$ 76,810	17.9%

Finance Committee					
Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 ADOPTED	Dollar Variance
Expenses					
Advertising	\$ -	\$ -	\$ 88	\$ 45	\$ (43)
Dues/Memberships & Subscriptions	\$ 333	\$ 333	\$ 333	\$ 326	\$ (7)
Other Charges and Expense	\$ 95	\$ 95	\$ 178	\$ 424	\$ 246
Total: Expense Costs	\$ 429	\$ 429	\$ 600	\$ 795	\$ 195
Total: Finance Committee Costs	\$ 429	\$ 429	\$ 600	\$ 795	\$ 195

Legal							
Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 Dept Requested	2017 ADOPTED	Dollar Change	Percent Change
Salaries							
Salaries	\$ -	\$ -	\$ -	\$ 60,000	\$ 60,000	\$ 60,000	0.0%
Total: Expense Costs	\$0	\$0	\$0	\$60,000	\$60,000	60,000	#DIV/0!
Expenses							
Legal Services	\$ 100,049	\$ 64,809	\$ 102,939	\$ 105,000	\$ 105,000	\$ 2,061	2.0%
Total: Expense Costs	\$100,049	\$64,809	\$102,939	\$105,000	\$105,000	2,061	2.0%
Total: Legal Services Costs	\$100,049	\$64,809	\$102,939	\$165,000	\$165,000	62,061	60.3%

Unclassified - Shared Cost							
Expense Line Item	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 ADOPTED	Dollar Change	Percent Change
Expenses							
Workers Compensation	\$ 248,669	\$ 271,426	\$ 310,629	\$ 329,618	\$ 393,655	\$ 64,038	19.4%
Unemployment	\$ 55,406	\$ 102,434	\$ 19,692	\$ 47,196	\$ 75,000	\$ 27,805	58.9%
Medicare - Town	\$ 175,308	\$ 184,923	\$ 200,618	\$ 213,965	\$ 300,000	\$ 86,035	40.2%
Medicare - School	\$ 428,675	\$ 446,054	\$ 475,250	\$ 500,540	\$ 400,000	\$ (100,540)	-20.1%
Police and Fire Accident Insurance	\$ 100,104	\$ 46,933	\$ 56,688	\$ 55,155	\$ 135,850	\$ 80,695	146.3%
Total: Unclassified	\$ 1,008,161	\$ 1,051,770	\$ 1,062,876	\$ 1,146,473	\$ 1,304,505	\$ 158,033	13.8%

Capital and Reserves

Expense Line Item	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 ADOPTED	Dollar Change	Percent Change
Expenses							
Transfer to Stabilization	\$ 850,000	\$ -	\$ 625,000	\$ 64,412	\$ 60,017	\$ (4,395)	-6.8%
Transfer to Capital Stabilization	\$ 238,000	\$ -	\$ 213,000	\$ 213,000	\$ 350,000	\$ 137,000	64.3%
Snow and Ice Deficit	\$ -	\$ -	\$ 165,000	\$ -	\$ -	\$ -	
Transfer to Capital Projects	\$ -	\$ -	\$ 223,500	\$ -	\$ 114,800	\$ 114,800	
Transfer to Special Education Stabilization	\$ -	\$ -	\$ -	\$ 750,000	\$ -	\$ (750,000)	0.0%
Transfer to OPEB Trust	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	0.0%
Reserve for 27th Payroll	\$ -	\$ -	\$ -	\$ 408,348	\$ -	\$ (408,348)	0.0%
Overlay	\$ 629,707	\$ 564,134	\$ 550,000	\$ 557,130	\$ 550,000	\$ (7,130)	-1.3%
Total: Unclassified	\$ 1,717,707	\$ 564,134	\$ 1,776,500	\$ 1,992,890	\$ 1,124,817	\$ (868,073)	-43.6%

ENTERPRISE FUNDS

DIVISION OF PUBLIC WORKS – WATER DEPARTMENT

MISSION STATEMENT

The mission of the Water Department is to provide the highest quality drinking water by maintaining the Town's water supply, Lake Cochichewick, and by optimally operating the drinking water treatment plant, which delivers an average daily consumption of 3.2 million gallons and a yearly total of over a billion gallons. The Water Treatment Plant Personnel also operate and maintain four (4) high lift water booster stations and three (3) water storage tanks.

SIGNIFICANT CHANGES

The Water Treatment Plant Superintendent Linda Hmurciak retired after serving the town for many years. Glen Alt was promoted to Superintendent from Assistant Superintendent.

PRIOR YEAR ACCOMPLISHMENTS

- Updated the electrical system at the Water Treatment Plant so the entire plant is connected to the backup emergency generator.
- Installed a transfer switch to Scada UPS system. This will enable Department to use a small portable generator to power the scada system in case the main plant generator fails.
- Finished replacing seven mixer gear boxes that were over 20 years old.
- Replaced two 12-year old 1,400 gallon Sodium Hypochlorite tanks, added a new day tank and safety alarms as required by DEP.
- Removed Rosemont Drive Booster Station from service. This will lower operation and maintenance costs.
- The Water Distribution Crew flushed all public hydrants. As a result of the program, seven hydrants were found to be inoperable and were replaced.
- Four Hundred feet of 8-inch cast iron pipe on Coachman's Lane was replaced with new cement lined ductile iron pipe.
- Sixty-four meters were replaced.
- Twenty-nine main line breaks and leaks were repaired.

FY 17 GOALS

- Upgrade and replace the process control computer system that runs the drinking water plant by June 2017.

- Complete design for the replacement of the Ozone system by June 2017 and complete replacement of the system in FY19
- Replace aging chemical tanks throughout the plant over the next several years while bringing the areas up to new safety standards throughout FY17. The next aspect of replacing tanks will begin in FY16 and will not be completed until the Spring of FY20.
- Continue to replace the existing lighting with new energy efficient lighting through June 30, 2017. Department is anticipating rebates from National Grid. Due to the number of lighting fixtures, this project to last into FY20.
- Flush all public hydrants by November 15, 2016.
- Develop and implement a gate valve exercise program and exercise 100 valves by June 15, 2017.
- Update Water Distribution System Maps by April 15, 2017.
- Replace 50 old meters by June 15, 2017.
- Replace ten old hydrants by June 15, 2017.

WATER ENTERPRISE FUND BUDGET							
LINE ITEM							
	2014	2015	2016	2017	2017	Dollar	Percent
	ACTUAL	ACTUAL	ACTUAL	Dept Request	ADOPTED	Change	Change
Personnel							
Salaries - Full-Time	801,742	864,073	773,982	870,483	870,483	96,501	12.5%
Salaries - Part-Time	6,225	8,590	22,760	5,150	5,150	(17,610)	-77.4%
Overtime	61,155	83,697	62,267	51,500	51,500	(10,767)	-17.3%
Longevity	1,681	1,775	519	1,031	1,031	512	98.7%
Announcement of Retirement	-	-	-	-	-	-	
Salary Reserve	-	-	-	8,212	11,126	11,126	
Total: Personnel Costs	\$870,803	\$958,135	\$859,528	\$936,376	\$939,290	\$79,762	9.3%
Expenses							
Electricity	308,065	387,234	361,770	538,200	538,200	176,430	48.8%
Heating Fuel	13,511	15,478	51,412	80,000	80,000	28,588	55.6%
Engineering	6,200	7,925	4,600	17,500	17,500	12,900	280.4%
Repairs & Maintenance	191,089	223,856	187,848	169,300	169,300	(18,548)	-9.9%
Laboratory	19,348	34,959	28,891	35,000	35,000	6,109	21.1%
Advertising	737	842	752	1,000	1,000	248	33.0%
Contracted Services	83,491	89,102	126,947	106,000	106,000	(20,947)	-16.5%
Training & Education	4,823	9,720	4,482	9,500	9,500	5,018	112.0%
Telephone	6,456	6,484	9,778	10,450	10,450	672	6.9%
Postage Services	672	2,297	1,068	3,000	3,000	1,932	180.8%
Storm Water Permitting Mandate	16,929	1,716	548	45,000	45,000	44,452	8111.7%
Outside Detail	5,940	15,722	11,897	9,100	9,100	(2,797)	-23.5%
Office Supplies	5,557	5,224	3,855	7,400	7,400	3,545	91.9%
Materials & Supplies	65,354	130,035	85,579	95,500	95,500	9,921	11.6%
Vehicle Fuel	15,610	9,790	2,134	10,000	10,000	7,866	368.5%
Chemicals	110,675	132,349	99,324	205,000	205,000	105,676	106.4%
Uniforms & Clothing	8,073	6,499	7,525	8,400	8,400	875	11.6%
Auto Mileage	798	57	-	215	215	215	
Dues/ Memberships & Subscriptions	2,219	249	876	2,300	2,300	1,424	162.6%
Other Charges & Expenses	16,660	66,964	67,996	21,600	21,600	(46,396)	-68.2%
Capital Outlay >\$5,000	117,263	45,100	156,512	229,200	226,286	69,774	44.6%
Vehicle	4,450	-	-	-	-	-	
Subtotal: Expense costs	\$1,003,920	\$1,191,602	\$1,213,795	\$1,603,665	\$1,600,751	\$386,956	31.9%
Debt Service							
Principal Long Term	1,166,448	1,208,112	734,006	592,979	592,979	(141,027)	-19.2%
Interest Long Term	187,925	156,334	115,657	93,586	93,586	(22,070)	-19.1%
MWPAT Principal	251,505	256,586	261,770	267,058	267,058	5,288	2.0%
MWPAT Interest	84,600	79,519	74,335	69,047	69,047	(5,288)	-7.1%
Transfers to Capital Projects	-	600,000	635,000	475,000	475,000	(160,000)	-25.2%
Indirects	878,741	900,710	923,227	946,308	946,308	23,081	2.5%
Total: Expense Costs	\$3,573,139	\$4,392,863	\$3,957,790	\$4,047,643	\$4,044,730	\$86,940	2.2%
Total: Water Dept. Costs	\$4,443,942	\$5,350,998	\$4,817,318	\$4,984,020	\$4,984,019	\$166,702	3.5%

DIVISION OF PUBLIC WORKS – SEWER DEPARTMENT

MISSION STATEMENT

The Sewer Department ensures the proper and safe discharge of wastewater through the operation of pumping stations and by maintaining and improving the wastewater system infrastructure.

SIGNIFICANT CHANGES

There were no significant changes to the Sewer Department this fiscal year.

PRIOR YEAR ACCOMPLISHMENTS

- Design completed to replace the Rea's Pond Sewer Pump Station off Great Pond Road. The new replacement station will be constructed outside of the flood plain. Previous flooding of this area in 2006 and 2007 threatened to submerge the sewer station and contaminate Lake Cochichewick. By constructing a new station with greater capacity and better location, the threat to the Lake during flood events will be eliminated. Construction began in January 2016; completion date is expected to be in the fall of 2016.
- Wet wells at all sewer stations were cleaned of grit and grease to keep the pumps from being overworked and two stations received new driveways.
- New truck purchased for the sewer department.
- Blue Ridge sewer station electrical service was upgraded due to corrosion and force main had to be repaired.
- During the cleaning of the force main at the Willows Sewer Pump Station, a buried gate valve was discovered 90% closed and inoperable. Valve was repaired, which reduced pumping hours saving money on electricity and maintenance costs.
- Two main line obstructions were cleared by the sewer crew.
- Two main line repairs were made by Town's contractor to remove roots and reduce infiltration.
- On Sutton Street, from Charles Street to High Street, 1097 feet of 8-inch clay pipe was replaced with 12-inch PVC pipe. Five new manholes were installed and the road was re-paved. The larger pipe will accommodate greater projected flows from the new Rea's Pond Sewer Station more efficiently.

FY 17 GOALS

- Update the Town's sewer collection system maps by April 1, 2017.
- Develop and implement a pro-active main line inspection program including routine jet cleaning of problematic areas by October 31, 2016.

SEWER ENTERPRISE FUND BUDGET							
LINE ITEM	2014	2015	2016	2017	2017	Dollar	Percent
	ACTUAL	ACTUAL	ACTUAL	Dept Request	ADOPTED	Change	Change
Personnel							
Salaries, Full-Time	330,516	360,936	356,102	340,760	340,760	(15,342)	-4.3%
Salaries, Part-Time	10,331	-	1,355	-	-	(1,355)	0.0%
Overtime	25,936	25,006	14,541	36,000	36,000	21,459	147.6%
Longevity	744	950	1,081	1,169	1,169	88	8.1%
Announcement of Retirement	-	-	-	-	-	-	
Salary Reserve	-	-	-	3,859	5,720	5,720	0.0%
Total: Personnel Costs	\$367,527	\$386,892	\$373,079	\$381,788	\$383,649	10,570	2.8%
Expenses							
Electricity	77,061	94,603	90,131	100,000	100,000	9,869	10.9%
Heating Fuel	3,783	5,283	3,875	10,000	10,000	6,125	158.0%
Engineering Services	1,052	-	-	3,100	3,100	3,100	
Repairs & Maintenance	48,862	76,034	93,056	67,950	67,950	(25,106)	-27.0%
Advertising	-	657	-	200	200	200	
Contracted Services	3,869	13,263	172,773	23,750	23,750	(149,023)	-86.3%
Training & Education	765	-	-	2,500	2,500	2,500	
Telephone	11,425	12,625	11,228	14,000	14,000	2,772	24.7%
Outside Detail	3,520	2,560	4,608	6,200	6,200	1,592	34.5%
Materials & Supplies	10,189	22,161	21,425	44,900	44,900	23,475	109.6%
Vehicle Fuel	11,194	9,915	6,623	10,000	10,000	3,377	51.0%
Uniforms & Clothing	2,675	3,888	3,325	5,200	5,200	1,875	56.4%
Dues/ Memberships & Subscriptions	75	-	-	200	200	200	
Other Charges & Expenses	4,355	3,586	2,809	8,500	8,500	5,691	202.6%
Capital Outlay <\$5,000	-	-	-	10,370	8,510	8,510	
Subtotal Expenses:	\$178,826	\$244,574	\$409,852	\$306,870	\$305,010	(104,842)	-25.6%
Debt Service							
Principal Long Term	1,243,005	1,251,608	1,155,370	878,166	878,166	(277,204)	-24.0%
Interest Long Term	289,431	246,378	186,312	192,881	192,881	6,569	3.5%
MWPAT Principal	400,896	424,317	254,152	258,044	258,044	3,892	1.5%
MWPAT Interest	49,623	34,635	24,174	15,342	15,342	(8,832)	-36.5%
Sewerage Assessment (GLSD)	1,322,544	1,543,296	1,490,042	2,000,000	2,000,000	509,958	34.2%
Transfer to Capital	-	-	80,000	150,000	150,000	70,000	0.0%
Indirects	413,525	423,863	434,460	445,321	445,321	10,861	2.5%
Total: Expense Costs	\$3,897,849	\$4,168,671	\$4,034,361	\$4,246,624	\$4,244,763	210,402	5.2%
Total: Sewer Dept. Costs	\$4,265,375	\$4,555,563	\$4,407,440	\$4,628,412	\$4,628,412	220,972	5.0%

Water & Sewer Enterprise Funds Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE + / (-)
Water						
	Administrative Secretary	1	1	1	1	0
	Ass't Operations Manager	0.5	0.5	0.5	0.5	0
	Ass't WTP Superintendent	0.75	0.75	0.75	0.75	0
	Foreman	0.25	0.25	0.25	0.25	0
	Head Meter Reader	0.75	0.75	0.75	0.75	0
	HMEO	0	0	0.5	0.5	0
	Laborer	1.5	1.5	1	1	0
	Mechanic	1	1	1	1	0
	Meter Reader	2	2	2	2	0
	O/M Chief	0.75	0.75	0.75	0.75	0
	Operations Manager	0.25	0.25	0.25	0.25	0
	Senior Water Analyst	0	0	0	0	0
	Lab Director	1	1	1	1	0
	SMEO	1.25	0.75	0.75	0.75	0
	WTP Operator	4	4	4	4	0
	WTP Superintendent	0.75	0.75	0.75	0.75	0
	Staff Engineer	<u>0</u>	<u>0</u>	<u>0.25</u>	<u>0.25</u>	<u>0</u>
Total		15.75	15.25	15.50	15.50	0
Sewer						
	Administrative Secretary	1	1	1	1	0
	Ass't Operations Manager	0	0	0	0	0
	Ass't WTP Supervisor	0	0.25	0.25	0.25	0
	Foreman	0.5	0.25	0.25	0.25	0
	HMEO	0.25	0.75	0.75	0.75	0
	Laborer	0	0	0	0	0
	Mechanic	3.5	3	3	3	0
	O/M Chief	0.25	0.25	0.25	0.25	0
	Operations Manager	0.25	0.25	0.25	0.25	0
	Senior Foreman	0.25	0.25	0.25	0.25	0
	SMEO	0.25	0.25	0.25	0.25	0
	WTP Operator	0	0	0	0	0
	WTP Superintendent	<u>0.25</u>	<u>0.25</u>	<u>0.25</u>	<u>0.25</u>	<u>0</u>
Total		6.5	6.5	6.5	6.5	0

STEVENS ESTATE

MISSION STATEMENT

To harness and preserve the historic value of The Stevens Estate as a destination for unique experiences, and provide hospitality in the pursuit of such with care, professionalism and integrity today, so that we may continue to do so, successfully, tomorrow.

SIGNIFICANT CHANGES

The Stevens Estate hired a new Director, Joanna Ouellette, in July 2015.

PRIOR YEAR ACCOMPLISHMENTS

- A Five-Year, \$300,000 Capital Improvement Plan was developed for completion and funding of a series of major projects, including upgrade of the bathrooms. Preliminary work has begun on the bathroom renovation project.
- The estate adopted a new email system, new telephone system and was moved on to the Town's network without significant disruption to operations.
- Completed capital projects in FY 2016 including steam trap repair and fire alarm needs assessment and reduction, both of which will lead to increased efficiencies and reduced heating and inspection expenses.
- Price increase have been implemented for all rates starting in calendar year 2017, with average (wedding) venue rental increases of 15% (peak season) over 2016. The increase is not expected to have significant impact on demand.
- All contracts, agreements, Caterers documents, Board of Health documents, pricing calculations and vendor agreement documents have been overhauled and updated.
- Preliminary scope work has begun on update of website
- After six months of FY16, the estate has increased wedding business by 41% over FY15, with an average of 1.2 weddings booked per week. One in eight wedding inquirers goes on to reserve The Stevens Estate for their function.
- Projected revenue in FY16, based on business already booked, already exceeds total revenue for FY15.
- The first Holly Days Open House weekend welcomed over 500 visitors from North Andover and beyond in December and showcased several local North Andover businesses.

FY17 GOALS

- Purchase and implement a new Bar POS system by September 30, 2016 that will support and help manage beverage controls, inventory, ordering, billing, payment processes and auditing.’
- Purchase and implement a new Event Management/Sales software system by December 31, 2016 to manage inquiry and sales process, automatic document creation, financial management, marketing, timeline management (deposits, past payments and notices), calendar scheduling, forecasting and budgeting etc.
- Evolve Event Manager into new Bar and Event Manager position taking on bar management role by September 30, 2016.
- Contract service to manage cleaning of mansion (seasonal, based on demand) through June 2017.
- 50% completion of bathroom renovation/restoration and project progress by June 30, 2017.
- To book 45 peak Saturdays and 60 weddings total for FY 2017 by December 2016.
- To gross \$250,000 in net revenue and to gross 36% over projected revenue from beverage sales (beverage packages) by June 30, 2017.
- To receive 1000 visitors to the 2016 Holiday Open House in December 2016
- To book \$100,000 in midweek corporate or social business by June 30, 2017.
- To have a new/updated website in place by September 30, 2016.
- Create and maintain database of clients and contacts for marketing outreach purposes by September 30, 2016.
- Develop upgrades, enhancements and packages to enhance the guest experience and simplify their choices by December 31, 2016. For the Estate, these will streamline the complex and time-consuming event detailing process, and bring in additional revenue.

STEVENS ESTATE ENTERPRISE FUND BUDGET							
LINE ITEM	2014	2015	2016	2017	2017	Dollar	Percent
	ACTUAL	ACTUAL	ACTUAL	Dept Request	ADOPTED	Change	Change
Personnel							
Salaries - Full-Time	58,609	62,898	53,371	77,022	77,022	23,651	44.3%
Salaries - Part-Time	55,325	70,089	65,591	65,000	65,000	(591)	-0.9%
Salary Reserve	-	-	-	1,140	1,140	1,140	
Longevity	-	-	-	-	-	-	
Total: Personnel Costs	\$113,933	\$132,987	\$118,961	\$143,162	\$143,162	\$24,200	20.3%
Expenses							
Electricity	6,604	7,879	9,485	10,217	10,217	732	7.7%
Heating Fuel	20,548	19,089	12,507	16,960	16,960	4,453	35.6%
Water	5,922	8,219	9,764	8,925	8,925	(839)	-8.6%
Repairs & Maintenance	4,684	6,566	9,676	10,450	10,450	774	8.0%
Equipment Rental	26,902	32,049	19,624	21,100	21,100	1,476	7.5%
Laundry Service	5,326	5,512	7,540	8,400	8,400	860	11.4%
Advertising	6,274	6,237	8,589	12,543	12,543	3,954	46.0%
Contracted Services	773	75	1,030	626	626	(404)	-39.3%
Food Delivery	334	94	648	518	518	(130)	-20.1%
Refunds	-	290	-	150	150	150	
Liquor, Beer & Wine	18,258	29,672	23,093	29,850	29,850	6,757	29.3%
Telephone	2,904	2,997	2,326	3,070	3,070	743	32.0%
Postage	4	21	6	100	100	94	1580.7%
Bank Credit Card Charges	3,203	3,233	1,210	4,658	4,658	3,448	285.1%
Office Supplies	1,920	951	1,551	1,500	1,500	(51)	-3.3%
Materials/Supplies	2,505	4,359	4,276	3,666	3,666	(610)	-14.3%
Buildings and Grounds	18,548	23,074	22,012	20,525	20,525	(1,487)	-6.8%
Auto Mileage	-	88	322	200	200	(122)	-37.8%
Liquor License	3,000	3,000	3,200	3,200	3,200	-	0.0%
Other Charges & Expenses	100	150	100	850	850	750	750.0%
Capital Purchases >\$999<\$4999	15,580	17,081	497	-	-	(497)	
Subtotal Expenses:	\$143,387	\$170,636	\$137,455	\$157,508	\$157,508	\$20,550	14.6%
Indirects	46,460	47,622	48,812	48,812	50,032	1,220	2.5%
Total: Expense Costs	\$189,847	\$218,258	\$186,267	\$206,320	\$207,540	\$21,770	11.4%
Transfer to Capital	0	0	0	125,000	125,000	125,000	
Total: Transfers	\$0	\$0	\$0	\$125,000	\$125,000	\$125,000	0.0%
Total: Stevens Dept. Costs	\$303,781	\$351,245	\$305,229	\$474,482	\$475,702	\$170,970	55.9%

Stevens Estate Personnel Listing						
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	FY17 STAFF POS.	VARIANCE +/-
Stevens Estate	Director	1	1	1	1	0
	Admin Asst	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.3</u>	<u>0.3</u>
Total		1	1	1	1.3	0.3



Courtesy of Brenda Tomasz

STATISTICS

Demographic Profile of North Andover							
Age Distribution (2010 US Census)					Race & Ethnicity (2010 Census)		
	Persons	%				Persons	%
Under 5	1655	5.8			White	25144	88.69
5-14	4417	15.5			Black	506	1.78
15-44	10327	36.5			Am. Indian, Eskimo or Aleut	28	0.10
45-64	8185	28.9			Asian or Pacific Islander	1787	6.3
65 & over	3768	13.3			Hispanic Origin	458	1.62
					Other	429	1.51
					Total Population	28352	
Households by Type (2010 Census)							
			Households	%			
Family households			7324	69.6			
	with own children under 18		3796	36.1			
Married-couple family			5995	57			
	with own children under 18		3076	29.3			
Female householder, no husband present			1012	9.6			
	with own children under 18		575	5.5			
Nonfamily households			3192	30.4			
Householder living alone			2688	25.6			
	Householder 65 and over		1212	11.6			
		Average household size		2.62			
		Average family size		3.19			
Housing Units (2010 Census)							
			Units	%			
Total Units			10964				
Total Occupied			10516				
	Owner occupied		7769	73.9			
	renter occupied		2747	26.1			
Vacant for rent			159				
Vacant for sale			74				
Average household size of owner-occupied units				2.8			
Average household size of renter-occupied units				2.10			

Massachusetts Department of Revenue, Division of Local Services
North Andover at a Glance
(12/31/14)

County: ESSEX **Kind of Community:** Economically Developed **School Structure:** K to 12
Regional School Districts: Greater Lawrence, Essex County
Form of Government: Open Town Meeting, Selectmen, Town Manager

2013 Population:	29,217	2015 Labor Force:	15,547	2015 Unemployment Rate: 4.10%
2012 Per Capita Income	50,410	Housing Units per sq Mile	373.10	
EQV Per Capita:	148,459	2013 Road Miles	148.76	
2012 Number of Registered Voters	27,050	2012 Number of Registered Vehicles:	18968	

Bond Ratings

Moody's Bond Rating as of Dec 2012	Aa2
S & P Bond Rating as of Sept 2013	AA+

Fiscal Year 2015 Tax Classification

Tax Classification	FY16 Tax Rate	FY16 Tax Levy	FY16 Assessed Values	Revaluation
Residential	14.27	55,619,188	3,897,630,578	Most Recent - FY15
Open Space	0	0	0	Next Scheduled FY-17
Commercial	20.47	5,997,607	292,994,947	
Industrial	20.47	3,020,735	147,568,900	
Personal Property	20.47	2,473,637	<u>120,842,040</u>	
Total		67,111,167	4,459,036,465	

Fiscal Year 2016 Revenues by Source

Revenue Source		% of Total
Tax Levy	67,111,167	66.92%
State Aid	10,361,013	10.33%
Local Receipts	21,234,581	21.17%
Other Available	<u>1,580,652</u>	1.58%
Total	100,287,413	

Fiscal Year 2016 Proposition 2½ Levy Capacity

New Growth	630,615
Override	0
Debt Exclusion	1,867,462
Levy Limit	68,402,796
Excess Capacity	1,291,629
Ceiling	111,475,912
Override Capacity	44,940,578

Fiscal Year 2016 Estimated Cherry Sheet Aid

Education Aid	7,927,748
General Government	2,433,265
Total Receipts	10,361,013
Total Assessments	<u>431,900</u>
Net State Aid	9,929,113

Reserves

7/1/2015 Free Cash	5,952,322
FY15 Stabilization Fund	5,671,105
FY16 Overlay Reserve	557,130

Fiscal Year 2016 Average Single Family Tax Bill

Number of Single Family Parcels	6,274
Assessed Value of Single Family	488,246
Average Single Family Tax Bill	6967

State Average Single Family Tax Bill

Fiscal Year 2012	4711
Fiscal Year 2013	4846
Fiscal Year 2014	5020
Fiscal Year 2015	5214

Labor Force, Employment and Unemployment in North Andover					
(Source Massachusetts Department of Employment & Training)					
Year	Labor Force	Employment	Unemployment	Unemployment Rate	Statewide Rate
2000	13,706	13,397	309	2.3%	2.6%
2001	13,815	13,354	461	3.3%	3.7%
2002	13,724	13,024	700	5.1%	5.3%
2003	13,442	12,735	707	5.3%	5.8%
2004	13,217	12,625	592	4.5%	5.1%
2005	13,244	12,682	562	4.2%	4.8%
2006	13,365	12,818	547	4.1%	5.0%
2007	13,568	13,045	523	3.9%	4.5%
2008	13,419	12,797	622	4.6%	5.3%
2009	13,508	12,474	1,034	7.7%	8.4%
2010	14,068	13,046	1,022	7.3%	8.3%
2011	14,043	13,209	834	5.9%	7.3%
2012	13,964	13,152	812	5.8%	6.8%
2013	14,038	13,168	870	6.2%	6.7%
2014	15,277	14,514	763	5.0%	5.8%
2015*	15,776	15,046	730	4.6%	4.9%
* information as of June 30 2015					

LARGEST TAXPAYERS

The following shows the ten largest taxpayers:

Name	Nature of Business	Fiscal 2015 Assessed Value	Amount of Tax	% of Total Levy
National Grid	Utility	\$ 44,382,060	\$ 900,512	1.32%
AIMCO (Royal Crest)	Apartments	53,769,990	773,750	1.22
Edgewood	Congregated Care/Nursing Home	37,808,040	\$ 767,125	1.16
Mansur Investment	Office/Manufacturing	15,000,000	\$ 304,350	0.70
Delta (Delta Realty Trust)	Shopping Mall	19,754,350	\$ 400,816	0.61
Ozzy Properties	Office	15,779,400	\$ 320,164	0.48
Wood Ridge Homes	Co-op homes	13,249,140	\$ 268,825	0.41
RCG North Andover Mills	Office	12,841,500	\$ 260,554	0.39
Eaglewood Properties	Retail	9,234,200	\$ 187,362	0.28
North Andover 2004	Office	6,691,600	135,773	<u>0.21</u>
Total		<u>\$ 228,510,280</u>	<u>\$ 4,319,231</u>	<u>6.78%</u>

Sources: Town Assessors

DEPARTMENTAL STATISTICS

Function/Program

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government										
Population	27,390	27,412	27,566	27,753	28,352	28,352	28,352	28,352	28,352	28,352
Registered Voters, Annual Town Election	17,128	16,400	16,787	18,059	18,169	17,256	18,307	18,598	18,247	18,247
<i>Town Clerk</i>										
Births	287	304	310	291	285	285	263	289	289	302
Marriages	110	84	87	78	95	84	74	86	115	83
Deaths	257	278	310	268	296	279	183	251	250	330
Dog Licenses	2,033	2,348	2,308	2,396	2,314	2,361	2,110	2,390	2,132	2,907
Business Certificates	101	78	89	110	87	91	84	92	87	92
New Voter Registrations	884	785	1,746	612	1,099	866	1,523	1,450	797	1,171
Passports	1,191	755	783	786	773	745	701	920	885	798
Assessors										
Single Family	N/A	N/A	N/A	6,164	6,173	6,181	6,198	6,217	6,239	6,274
Condominiums	N/A	N/A	N/A	1,898	1,915	1,929	1,951	1,985	2,028	2,084
Misc Rec	N/A	N/A	N/A	27	28	30	31	30	29	29
Two Family	N/A	N/A	N/A	426	423	420	419	421	417	408
Three Family	N/A	N/A	N/A	43	43	44	44	43	44	47
Four-eight Family	N/A	N/A	N/A	48	48	50	50	51	52	52
Vacant land	N/A	N/A	N/A	512	492	468	489	462	441	429
Residential/Commercial	N/A	N/A	N/A	37	38	36	37	36	35	33
Commercial buildings and land	N/A	N/A	N/A	435	490	491	492	491	494	511
Industrial buildings and land	N/A	N/A	N/A	82	84	84	84	8	83	82
Personal Property Accounts	N/A	N/A	N/A	844	818	847	882	906	881	830
Chapter 61 - Forestry Property	N/A	N/A	N/A	7	7	7	7	7	7	7
Chapter 61A - Farm Property	N/A	N/A	N/A	143	145	139	137	137	137	142
Chapter 61B - Recreational Land	N/A	N/A	N/A	9	9	8	7	7	7	7
Exempt buildings and land	N/A	N/A	N/A	438	436	452	460	464	468	421
Public Utilities	N/A	N/A	N/A	4	4	4	4	4	4	4
Utilities valued by State	N/A	N/A	N/A	6	5	5	6	6	6	6
Public Safety										
<i>Police</i>										
Complaints Issued	-	153	127	140	110	86	434	589	-	635
Arrests	490	410	400	406	409	396	285	364	312	323
Summons/Hearings	381	385	132	132	368	286	149	214	303	290
Citations	4,956	5,004	4,399	3,742	3,748	2,953	2,938	3,646	2,707	2,283
Parking tickets issued	1,091	821	920	680	624	645	548	484	-	504
Total number of animal complaints	195	214	253	271	295	297	383	489	-	-

Function/Program

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<i>Fire</i>										
Incidents										
Fire and Rescue	2,335	2,247	1,564	1,612	3,986	1,358	1,515	1,396	1,283	1,755
Ambulance Calls	2,756	2,624	2,885	2,650	2,616	2,444	2,663	2,745	2,379	2,460
Smoke Detectors	520	501	385	406	327	401	322	444	613	629
Carbon Monoxide Detectors	-	392	349	377	314	377	295	412	587	595
Fireworks Display Permits	1	1	1	1	1	1	1	1	1	1
Liquid Gas Storage Permits	148	40	40	28	38	29	19	27	65	54
Open Air Burning Permits	-	-	-	-	-	-	-	-	345	321
Oil Burner Install Permits	51	40	35	46	70	45	26	47	26	16
Sprinkler Inspections	16	81	49	23	13	27	23	32	35	19
Underground Tank Installation	7	7	11	6	22	26	8	6	27	23
Underground Tank Removals	8	3	4	13	6	7	8	2	5	1
<i>Building Department</i>										
Permits issued	2,744	2,381	2,456	2,214	2,470	2,375	2,774	3,080	3,207	3,583
Education										
Public school enrollment	4,671	4,624	4,546	4,604	4,614	4,638	4,687	4,766	4,801	4,795
Human Services										
<i>Planning</i>										
Plan reviews	16	13	12	8	2	5	27	33	18	16
<i>Board of Health</i>										
Inspections										
Food Est. (related permits& reviews)	147	192	198	198	179	288	225	234	352	258
Septic (all related reviews/permits/inspections)	135	67	53	30	49	46	22	140	202	213
OFFA Haulers/Trash Haulers & Placards	159	133	131	257	237	250	256	241	273	226
Commercial Permits	248	264	246	256	254	262	266	241	295	260
Professional Permits	63	70	75	75	83	82	89	53	101	62
<i>Council on Aging</i>										
Home delivered meals served	13,999	17,605	18,527	19,685	15,106	15,541	18,369	17,519	16,230	20,294
Outreach Case Management	2,429	4,510	3,062	4,243	4,532	8,203	8,895	8,094	9,981	7,384
Community Education	1,861	3,619	3,698	3,900	7,078	6,708	7,682	8,635	8,417	7,496
Recreation	10,913	10,781	12,983	8,013	9,961	11,221	21,796	13,414	18,005	12,162
Transportation	1,008	1,174	2,242	3,379	4,234	4,285	4,598	6,822	6,377	4,614
Youth & Recreation Services										
Memberships	N/A	N/A	N/A	611	646	656	694	709	691	672
Summer Programs	N/A	N/A	N/A	75	792	814	854	798	832	971
Overall Services	N/A	N/A	N/A	N/A	2,973	2,961	3,098	3,179	3,215	3,410

<u>Function/Program</u>	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Culture and Recreation										
<i>Library</i>										
Program attendance	2,571	2,225	3,304	8,060	3,867	4,489	4,122	4,938	6,631	8,358
# of Library Card Holders	26,483	27,384	28,155	29,883	16,465	16,779	17,604	19,094	20,143	20,418
Circulation	220,477	206,606	201,961	213,598	212,970	213,517	206,362	185,419	176,385	193,799
PC & Internet Use	389	698	804	896	914	1,221	1,295	1,273	1,281	1,186
Reference Questions	20,384	23,380	24,549	26,758	28,069	28,503	29,318	29,081	30,744	29,848
Inter-Library Loans	46,978	53,021	59,939	49,302	54,073	53,367	56,569	57,952	60,559	59,416
Enterprise Funds										
<i>Sewer</i>										
Service connections	99	45	32	31	46	58	14	54	43	32
<i>Water</i>										
Daily consumption (in million gallons)	2.9698	2.8126	2.9669	2.7371	2.8675	3.0120	2.6328	2.2101	3.0600	3.2500

Sources: Various Town Departments and Annual Town Report
N/A Information not available

CAPITAL ASSET STATISTICS

	<u>2016</u>
General Government	
Number of Buildings	13
Public Safety	
Police	
number of stations	1
Fire	
number of stations	2
Education	
number of elementary schools	5
number of preschools	1
number of middle schools	1
number of high schools	1
number of School Admin	1
Public Works	
Water mains (miles)	148
Fire Hydrants	1515
Sanitary sewers (miles)	90
Storm sewers (miles)	99
Culture and Recreation	
Playgrounds	17
Parks	2
Playgrounds - Acreage	90
Parks - Acreage	11
Public Beaches	1
Ball Fields	39
Tennis Courts	6

Glossary of Terms

Abatement. A complete or partial cancellation of a tax levy imposed by a governmental unit. Administered by the local board of assessors.

Accounting System. A system of financial recordkeeping, which record, classify and report information on the financial status and operation of a governmental unit or any of its funds, account groups, and organizational components.

Adopted Budget. The resulting budget that has been approved by the Town Meeting or City Council.

Annual Budget. An estimate of expenditures for specific purposes during the fiscal year (July 1-June 30) and the proposed means (estimated revenues) for financing those activities.

Appropriation. An authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and as to the time when it may be expended. Only town meeting or city council can authorize money appropriated for one purpose to be used for another. Any amount that is appropriated may be encumbered (see encumbrance). Any part of an annual operating appropriation not spent or encumbered by June 30 automatically reverts to the undesignated fund balance that may result in free cash. If departments know of remaining unpaid bills at the close of the fiscal year and properly notify the accountant/auditor (MGL Ch. 41 § 58), the departmental appropriation is encumbered to extend the annual spending authorization until such time that the bill is paid or it is decided not to spend the funds. If these encumbrances are not acted on within a year, the accountant generally notifies the department and closes them out. A special purpose appropriation, on the other hand, may carry forward from year to year until spent for the designated purpose or transferred by town meeting/city council vote to another account.

Arbitrage. Investing funds borrowed at a lower interest cost in investments providing a higher rate of return.

Assessed Valuation. A valuation set upon real or personal property by the local board of assessors as a basis for levying taxes.

Audit. A study of the Town's accounting system to ensure that financial records are accurate and in compliance with all legal requirements for handling of public funds, including state law and local charter.

Balanced Budget. A budget in which receipts are greater than (or equal to) expenditures. A requirement for all Massachusetts cities and towns.

Bond Anticipation Notes. Notes issued in anticipation of later issuance of bonds, usually payable from the proceeds of the sale of the bonds or renewal notes.

Bond Rating (Municipal). A credit rating to help investors determine the risk of losing money on a given fixed-income investment. Agencies specializing in municipal bonds assign a rating, designated by letters or a combination of letters and numerals, based on their opinion of the future ability, legal obligation, and willingness of a bond issuer to make timely debt service payments.

Budget (Operating). A plan of financial operation embodying an estimate of proposed expenditures for a given time period and the proposed means of financing.

Budget Calendar. The schedule of key dates or milestones which a government follows in the preparation and adoption of the budget.

Budget Message. A statement by the municipality's policy makers summarizing the plans and policies contained in the budget report, including an explanation of the principal budget items, an outline of the municipality's experience during the past year and its financial status at the time of the message, and recommendations regarding financial policy for the coming fiscal year.

Capital Improvements Program. A comprehensive plan for planning a community's capital expenditures. It coordinates community planning, fiscal capacity and physical development. While all of the community's needs should be identified in the program, there is a set of criteria that prioritizes the expenditures. The capital program is a plan for capital expenditures that usually extends at least five years beyond the capital budget.

Chapter 90 Highway Funds. The state legislature authorizes and issues transportation capital bonds every few years. In each Transportation Bond, funds are apportioned to communities based on a formula under the provisions of MGL Ch. 90 § 34, hence the term Chapter 90 funds. The Chapter 90 highway formula is comprised of three variables: local road mileage (58.33 percent) as certified by the Massachusetts Highway Department (MHD), employment figures (20.83 percent) from the Department of Employment and Training (DET), and population estimates (20.83 percent) from the US Census Bureau. Under this formula, those communities with a larger number of road miles receive proportionately more aid than those with fewer road miles. These funds are reimbursed to communities based on certified expenditure reports submitted to MHD.

Cherry Sheets. Named for the cherry colored paper on which they were originally printed, the Cherry Sheets are the official notification of the next fiscal year's state aid and assessments to communities and regional school districts from the Commissioner of Revenue. State aid to municipalities and regional school districts consists of two major types -- distributions and reimbursements. Distributions provide funds based on formulas while reimbursements provide funds for costs incurred during a prior period for certain programs or services. In addition, communities may receive "offset items" that must be spent on specific programs. Cherry Sheet Assessments are advance estimates of state assessments and charges. Local assessors are required to use these figures in setting the local tax rate. Because these figures are estimates, it should be noted that based on filing requirements and/or actual information, the final aid or assessment may differ.

Debt Limit. The maximum amount of debt that a municipality may have authorized for qualified purposes under state law.

Debt Service. The cost, usually stated in annual terms, of the principal repayment and interest of any particular issue.

Deficit. The excess of expenditures over revenues during an accounting period. Also refers to the excess of the liabilities of a fund over its assets.

Department. A principal, functional and administrative entity created by the Town Manager in accordance with the Charter to carry out specified public services.

Encumbrance. Obligations in the form of purchase orders and contracts which are chargeable to an appropriation is reserved. They cease to be encumbrances when paid or when an actual liability is set up.

Enterprise Funds. An accounting mechanism that allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery-- direct, indirect, and capital costs--are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus" or retained earnings generated by the operation of the enterprise rather than closing it out to the general fund at year-end. According to MGL Ch. 44 § 53F½, the services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.

Equalized Valuations (EQVs). The determination of an estimate of the FFCV of all property in the Commonwealth as of a certain taxable date. EQVs have historically been used as a variable in distributing some state aid accounts and for determining county assessments and other costs. The Commissioner of Revenue, in accordance with MGL Ch. 58 § 10C, is charged with the responsibility of biannually determining an equalized valuation for each city and town in the Commonwealth.

Expenditures. The amount of money, cash or checks, actually paid or obligated for payment from the treasury.

Fiscal Year. Since 1974, the Commonwealth and municipalities have operated on a budget cycle that begins July 1 and ends June 30. The designation of the fiscal year is that of the calendar year in which the fiscal year ends. For example, the 2015 fiscal year is July 1, 2014 to June 30, 2015 and is usually written as FY2015. Since 1976, the federal government has had a fiscal year that begins October 1 and ends September 30.

Free Cash (Also Budgetary Fund Balance). Unrestricted funds from operations of the previous fiscal year that are certified by the Director of Accounts as available for appropriation. Remaining funds include unexpended free cash from the previous year, receipts in excess of estimates shown on the tax recapitulation sheet, and unspent amounts in budget line-items. Unpaid property taxes and certain deficits reduce the amount that can be certified as free cash. The calculation of free cash is based on the balance sheet as of June 30, which is submitted by the community's auditor, accountant,

or comptroller. A community should maintain a free cash balance to provide a hedge against unforeseen expenditures and to ensure there will be an adequate reserve to prevent sharp fluctuations in the tax rate. Maintenance of an adequate free cash level is not a luxury but a necessary component of sound local fiscal management. Credit rating agencies and other members of the financial community expect municipalities to maintain free cash reserves and make judgments regarding a community's fiscal stability, in part, on the basis of free cash.

Full and Fair Cash Value (FFCV). Fair cash value has been defined by the Supreme Judicial Court as "fair market value, which is the price an owner willing but not under compulsion to sell ought to receive from one willing but not under compulsion to buy. It means the highest price that a normal purchaser not under peculiar compulsion will pay at the time, and cannot exceed the sum that the owner after reasonable effort could obtain for his property. A valuation limited to what the property is worth to the purchaser is not market value. The fair cash value is the value the property would have on January first of any taxable year in the hands of any owner, including the present owner" (Boston Gas Co. v. Assessors of Boston, 334 Mass. 549, 566 (1956)).

Fund. An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Fund Balance. The amount remaining when balance sheet stated amount of liabilities including reservations are subtracted from the balance sheet stated amount of assets.

Fund Accounting. Organizing the financial records of a municipality into multiple funds. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

General Fund. The fund used to account for most financial resources and activities governed by the normal town meeting/city council appropriation process.

General Obligation Bonds. Bonds issued by a municipality that are backed by the full faith and credit of its taxing authority.

Grant. A contribution of assets by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the state and federal government. Grants are usually made for specific purposes.

Interfund Transactions. Payments from one administrative budget fund to another or from one trust fund to another, which result in the recording of a receipt and an expenditure.

Levy. The amount a community raises through the property tax. The levy can be any amount up to the levy limit.

Levy Ceiling. The maximum levy assessed on real and personal property may not exceed 2 ½ percent of the total full and fair cash value of all taxable property (MGL Ch. 59 § 21C). Property taxes levied may exceed this limit only if the community passes a capital exclusion, a debt exclusion, or a special exclusion.

Levy Limit. The maximum amount a community can levy in a given year. The limit can grow each year by 2 ½ percent of the prior year's levy limit plus new growth and any overrides. (MGL Ch. 59 § 21C (f & g)). The levy limit can exceed the levy ceiling only if the community passes a capital expenditure exclusion, debt exclusion, or special exclusion.

Net School Spending (NSS). School budget and municipal budget amounts attributable to education, excluding long-term debt service, student transportation, school lunches and certain other specified school expenditures. A community's NSS funding must equal or exceed the NSS Requirement established annually by the Department of Education (DOE) (Education Reform Act of 1993).

New Growth. The taxing capacity added by new construction and other increases in the property tax base. New growth is calculated by multiplying all increases in value which are not the result of revaluation by the tax rate of the previous fiscal year. For example, FY2003 new growth is determined by multiplying the value on January 1, 2002 by the FY2002 tax rate. Assessors must submit documentation of new growth to the BLA annually before setting the tax rate

Operating Budget. A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Overlay (Overlay Reserve or Allowance for Abatements and Exemptions). An account established annually to fund anticipated property tax abatements, exemptions and uncollected taxes in that year. The overlay reserve is not established by the normal appropriation process, but rather is raised on the tax rate recapitulation sheet.

Override. A vote by a community at an election to permanently increase the levy limit. An override vote may increase the levy limit no higher than the levy ceiling. The override question on the election ballot must state a purpose for the override and the dollar amount. See underride.

Override Capacity. The difference between a community's levy ceiling and its levy limit. It is the maximum amount by which a community may override its levy limit.

Personal Property Tax. Movable items not permanently affixed to, or part of the real estate. It is assessed separately from real estate to certain businesses, public utilities, and owners of homes that are not their primary residences.

Proposition 2½. A law which became effective on December 4, 1980. The two main components of the tax law relating to property taxes are: 1) the tax levy cannot exceed 2 ½ % of the full and fair cash value, and 2) for cities and towns at or below the above limit, the tax levy cannot exceed the

maximum tax levy allowed for the prior by more than 2 ½ % (except in cases of property added to the tax rolls and for valuation increases of at least 50% other than as part of a general revaluation).

Purchase Order. A document issued to authorize a vendor or vendors to deliver specified merchandise or render a specified service for a stated estimated price. Outstanding purchase orders are called encumbrances .

Rating Agencies. This term usually refers to Moody's Investors Service and Standard and Poor's Corporation. These services are the two major agencies which issue credit ratings on municipal bonds.

Registered Bonds. Bonds registered on the books of the issuer as to ownership; the transfer of ownership must also be recorded on the books of the issuer. Recent changes in federal tax laws mandate that all municipal bonds be registered if their tax exempt status is to be retained.

Reserve Fund. An amount set aside annually within the budget of a city (not to exceed 3% of the tax levy for the preceding year) or town (not to exceed 5% of the tax levy for the preceding year) to provide a funding source for extraordinary or unforeseen expenditures. In a town, the finance committee can authorize transfers from this fund for "extraordinary or unforeseen" expenditures. Other uses of the fund require budgetary transfers by town meeting. In a city, transfers from this fund may be voted by the city council upon recommendation of the mayor.

Revaluation. The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information. Every three years, assessors must submit property values to the DOR for certification. Assessors must also maintain current values in the years between certifications so that each taxpayer in the community pays his or her share of the cost of local government in proportion to the value of his property.

Revenues. All monies received by a governmental unit from any source.

Revolving Fund. Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service. For departmental revolving funds, MGL Ch. 44 § 53E½ stipulates that each fund must be re-authorized each year at annual town meeting or by city council action, and that a limit on the total amount that may be spent from each fund must be established at that time. The aggregate of all revolving funds may not exceed ten percent of the amount raised by taxation by the city or town in the most recent fiscal year, and no more than one percent of the amount raised by taxation may be administered by a single fund. Wages or salaries for full-time employees may be paid from the revolving fund only if the fund is also charged for all associated fringe benefits. Revolving funds for other programs as provided by statute are still allowed, and a departmental revolving fund may be implemented in addition to or in conjunction with

other existing statutory revolving funds, provided that the departmental revolving fund does not conflict with provisions of other revolving funds.

Stabilization Fund. A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose. (MGL Ch. 40 § 5B). Communities may appropriate into this fund in any year an amount not to exceed ten percent of the prior year's tax levy or a larger amount with the approval of the Emergency Finance Board. The aggregate of the stabilization fund shall not exceed ten percent of the community's equalized value, and any interest shall be added to and become a part of the fund. A two-thirds vote of town meeting or city council is required to appropriate money from the stabilization fund.

Tax Anticipation Notes. Notes issued in anticipation of taxes, which are retired from taxes collected.

Tax Rate. The amount of tax stated in terms of a unit of the tax base. Prior to a 1978 amendment to the Massachusetts Constitution, a single tax rate applied to all of the taxable real and personal property in a City or town. The 1978 amendment allowed the legislature to create three classes of taxable property:

1) residential real property, 2) open space land, and 3) all other (commercial, industrial, and personal property). Within limits, cities and towns are given the option of determining the share of the levy to be borne by the different classes of property. The share borne by residential real property must be at least 65% of the full rate. The share of commercial, industrial, and personal property must not exceed 150% of the full rate. Property may not be classified until the State Department of Revenue has certified that all property has been assessed at its full value.

Tax Rate Recapitulation Sheet (also Recap Sheet). A document submitted by a city or town to the DOR in order to set a property tax rate. The recap sheet shows all estimated revenues and actual appropriations that affect the property tax rate. The recap sheet should be submitted to the DOR by September 1 (in order to issue the first-half semiannual property tax bills before October 1) or by December 1 (in order to issue the third quarterly property tax bills before January 1).

Tax Title. A collection procedure that secures a lien on real property and protects the municipality's right to payment of overdue property taxes. Without following this procedure, the lien on real property expires if five years elapse from the January 1 assessment date and the property has been transferred to another owner. If amounts remain outstanding on the property after issuing a demand for overdue property taxes and after publishing a notice of tax taking, the collector may take the property for the city or town. After properly recording the instrument of taking, the collector transfers responsibility for collecting the overdue amounts to the treasurer.

Underride. A vote by a community to permanently decrease the tax levy limit. As such, it is the exact opposite of an override.

Unreserved Fund Balance (Surplus Revenue Account). The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It's akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full

because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. See free cash.

Valuation (100%). The legal requirement that a community's assessed value on property must be the same as its market or full and fair cash value.

Warrant. An authorization for an action. For example, a town meeting warrant establishes the matters that may be acted on by that town meeting. A treasury warrant authorizes the treasurer to pay specific bills. The assessors' warrant authorizes the tax collector to collect taxes in the amount and from the persons listed, respectively.

Acronyms

ADA	Americans Disabilities Act	GIC	Group Insurance Commission
ANR	Approval not required	GIS	Geographic Information System
B/P	Blood Pressure	ICS 100	Incident Command System
BOH	Board of Health	IT	Information Technology
CAFA	Comprehensive Annual Financial Report	JNHYC	Joseph N Herman Youth Center
CAMA	Computer Assisted Mass Appraisal	MA DEP	Massachusetts Department of Environmental Protection
CIP	Capital Improvement Program	MCC	Metropolitan Communications LLC
CMR	Commonwealth of Massachusetts Regulations	MGL	Mass General Law
COA	Certificate of Appreciation	MIIA	MIIA Property & Casualty Insurance
CPA	Community Preservation Act	MOVET	Marts Onecall/click Veterans Portal
CPC	Community Preservation Committee	MPO	Metropolitan Planning Organization
CSC	Community Software Consortium	MVLC	Merrimack Valley Library Consortium
DOR	Department of Revenue	MVRTA	Merrimack Valley Regional Transit Authority
EMS	Emergency Management Systems	NACAM	North Andover CAM
EOC	Emergency Operations Center	NAHS	North Andover High School
ESCO	Energy Service Company	NAMS	North Andover Middle School
FCC	Federal Communications Commission	NaNoWriMo	National Novel Writers Month
FDK	Full Day Kindergarten	NCSS	Number Cruncher Statistical System
FEMA	Federal Emergency Management Association	NERAC	North East Regional Advisory Council
FONAT	Friends of North Andover Trails	NIMS 700	National Incident Management System
FTE	Full Time Equivalent	NPDES	National Pollutant Discharge Elimination System
GAAP	General Accepted Accounting Principals	NVOC	Northeast Veterans Outreach Center
GFOA	Government Finance Officers Association		

OPEB	Other Post Retirement Benefits
PEC	Public Employee Committee
PILOT	Payment In Lieu of Taxes
PTE	Part Time Equivalent
R/A	Raise and Appropriated
R/T	Round Trip
RFP	Request for Proposal
SCBA	Self-Contained Breathing Apparatus
SPED	Special Education
SPSS	Statistical Package for the Social Sciences
TFL	Target Funding Level
UMAS	Uniform Municipal Accounting System
VFD	Variable Frequency Drive
WTP	Water Treatment Plant

